

## **True D. Morse and the Beginnings of Post-War Rural Development Work**

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### **True D. Morse's Early Work**

Between World War II and 1955, the Federal Government was relatively uninvolved in rural development. The postwar economic recovery obscured to some extent the problems that still existed in rural America. Many Americans, when they thought of rural areas at all, assumed that they too were enjoying the fruits of prosperity and, thus, there was little political pressure for a renewal of New Deal-style programs. Only a few policymakers, such as USDA Secretary Charles Brannan (1948-1953), attempted to move against this current. This period, however, did see the beginning of private sector efforts to improve rural conditions.

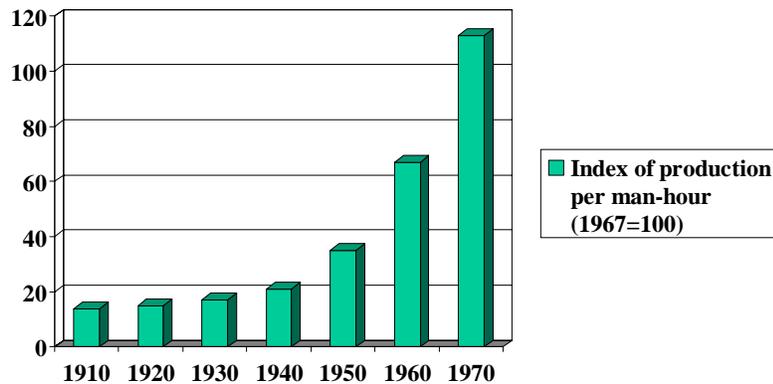
The Doane Agricultural Service, a private firm in St. Louis, MO headed by True D. Morse, future USDA Undersecretary and leader of the rural development program from 1954 to 1960, provided planning assistance to individual farms. It drew detailed maps, analyzed soils and productivity, investigated local markets and community structures, and then produced a farm management plan - "a long-term program, an architectural design, to guide the future development and operations of the property to achieve maximum results."

In the late 1930s it began to assist "large lending organizations" in setting up their future farm loan programs. Part of the work involved the making of State studies, with detailed statistics and maps. A measuring process was developed to reflect the influence of various factors. Doane's final product was a state map of farm loan territories, which outlined "policies to be followed in making farm or ranch loans adapted to the specific area and its debt-carrying capacity."

As a result of this kind of work, Morse gained much experience in both local and regional planning. On July 27, 1944 he presented a talk entitled "Rural Community Development" to the Southwestern Institute for Commercial Executives in Dallas, TX. During this speech Morse discussed many of the issues that would become staples of the rural development program of the 1950s, and was perhaps the first person to publicly utter the expression "rural community development."

Morse began by warning his listeners of the drastic changes that would affect agriculture when the war was over. In particular, he predicted that southern agriculture would lose thousands of jobs to mechanical cotton pickers (fig. 5). Agriculture was facing a major shakeout that would result in the demise of many rural communities. However, those communities that consciously planned for the future would have a much better chance of surviving. According to Morse, "Nothing could be more fascinating and productive of greater benefit than building a program for a permanently progressive community and then, through the years, molding it to fit the pattern."

Figure 5--Farm Productivity, 1910-1970



Source: Bureau of the Census, U.S. Dept of Commerce, *Historical Statistics of the United States*, 1975.

The first step in planning was to make a complete survey of all the physical, biological, social, economic and other factors affecting an area because an "intelligent and objective study is necessary if an effective program is to be built." Next came the drafting of the community plan and basic program: "Management cannot function effectively without a program which clearly sets out the goals and the way in which they are to be reached." The third step was the long-term administration of the program so that it conformed to the basic plan: "Any community that would make the most effective growth and development must be constantly guided toward the ultimate objective."

Morse saw the community survey as consisting of: (1) boundaries of the community or trade area; (2) natural physical factors; (3) climatic factors; (4) government and governmental agencies; (5) public developments such as roads, schools, churches, hospitals, parks and drainage; (6) private developments, including both town and farm properties and companies; (7) economic functions and the way in which business operates in the local markets; (8) people, including ethnic composition and educational levels; (9) finances, including both public and private resources and indebtedness; (10) other factors discovered during the survey. Fifteen years later many rural communities were conducting surveys modeled after the elements in this proposal of 1944.

Morse then counseled his listeners that such a time-consuming survey should be undertaken only if the community was strongly committed to putting it to use in a development program: "Those placed in charge must be capable of weighing all facts revealed by the study and setting up a specific program to guide continuing developments."

The plan was to be made up of steps that would seek to optimize farm productivity and rationalize the distribution of credit. Morse wanted to diversify farm operations so that they would be less vulnerable to market fluctuations. He observed that off-farm labor had become increasingly important to farmers and speculated that diversified farms could absorb much of this

labor. He reasoned that: "When farm processing becomes general, many will not have to leave their farms for extra work. If they do not have their own farm factory they may find employment in that of a neighbor's."<sup>1</sup>

The idea that farmers should become involved in the processing of their own crops, beyond churning butter for home use and grinding feed, etc., was a visionary suggestion that was never implemented, perhaps because Morse and others never foresaw how it was to be accomplished. According to Thomas Hady, a USDA Economic Research Service (ERS) rural development economist from 1965 to 1993, such plans did not exist in 1965, when it was common to talk about home-based industry but not processing farm products. "If expanded secondary processing of farm-grown commodities was his program at that time, I think it is a fascinating step in the development of rural development thinking."<sup>2</sup>

Morse also foresaw the need to increase the amount of nonagricultural industry in rural communities, but spoke of this more as an afterthought than as a centerpiece of his proposal. Implicit in the Dallas speech was his belief that agriculture was still the overwhelmingly dominant rural industry, but the brief mention of the role of nonagricultural industry anticipated the expanded approach to rural development that was implemented in the 1950s.

Finally, Morse reminded his listeners that the objective of economic development was to enhance the health, recreational, religious, domestic, and governmental aspects of rural life: "Increasing the earnings of the people in an area is only a means to an end, not an end in itself."<sup>3</sup>

Morse's speech circulated widely, and in 1947 business leaders in Tupelo, MS, led by *Tupelo Daily Journal* publisher George A. McLean, called on him to draft a plan for their area. According to Morse, "Tupelo businessmen raised \$30,000 a year out of their own pockets to assist farmers in overhauling their rickety farms."<sup>4</sup> Morse told them that the development of any trade area "ought to be pretty much as you approach the effective planning and development of a farm. After all these rural towns are pretty much the economic center of a big farm." They spent the next year formulating the plan and then moved "aggressively" to implement it. The contents of this plan are not known but apparently it was very successful because Morse reported that soon after its implementation Tupelo's business activity was increasing twice as fast as the State average and that "delegations from hard-pressed counties in 23 States visited Tupelo, and some returned home to put similar programs into operation as quickly as possible."<sup>5</sup>

In 1949 business leaders in Asheville, NC raised \$250,000 and began a so-called "Partnership for Progress" program encompassing 16 surrounding counties. Again, they called on Morse to draft a plan for their area, and within a year it began to experience the same kind of economic growth as Tupelo. The success of these programs convinced Morse that local initiative and self-help were the most powerful engines of rural development.<sup>6</sup> In the meantime a few people in the Federal Government were trying to revive interest in the rural poverty problem, which had been temporarily obscured by wartime demand for farm products and labor shortages.

### **Secretary Brannan Anticipates the Great Society**

In the presidential campaign of 1948 Secretary of Agriculture Charles Brannan had been instrumental in "delivering" much of the Midwestern farm vote to President Truman. Encouraged by his high standing within the administration, Brannan hoped to persuade Congress to support his efforts to alleviate rural poverty.

In 1949 Brannan appeared before the Low-Income Subcommittee of the Joint Committee

on the Economic Report chaired by Senator John Sparkman of Alabama. He pointed out that, depending on the criteria used, about one-half of all farm families could be classified as low-income. According to Brannan, "much more assistance must be rendered to low-income farm families to complement the programs that are geared more directly to the needs of their more fortunate brothers." He then analyzed the contributions of individual USDA agencies.

The Farmers Home Administration (FmHA) had been created to assist low-income families, but the limited scale of its operations made it unable to deliver operating and farm ownership loans to more than a fraction of the eligible farm families who had requested them. Also, the "very effective special teaching methods" by which FmHA provided low-income families with farm and home management assistance had never been adequately implemented.

The education services of the Extension Service were theoretically available to all farmers but, according to Brannan, the "difficulties and problems of carrying on educational work with low-income farm families are much greater" than with wealthier farmers. The result was that low-income families received less educational information.

Poor farmers got less assistance from the Farm Credit Administration because they had "no basis for this type of credit. For them the benefits, at best, are indirect, deriving from the existence in their communities of cooperative credit institutions or of cooperative associations financed by them." They were less likely to benefit from soil conservation districts because they lacked the capital or credit to finance needed conservation measures.

Finally, price support programs benefited low-income farmers, "but usually only to the extent that they have products to sell. Of course, price supports do not meet the fundamental problem of the operator who cannot produce a large enough volume to make a good return at any price."

Brannan asserted that the solution to the problem should be sought within the context of an expanding national economy so that broader opportunities could be provided both within and outside of agriculture. Brannan was emphatic that rural poverty should be attacked in a comprehensive way because we "cannot compartmentalize our thinking or our programs in this field. We will make a grave mistake if we do not agree upon a consistent overall policy and provide for cohesive administration of the programs designed to carry out such a policy." He then outlined three broad programs:

1. A special readjustment or redevelopment program for small farmers who are likely to continue to find their best opportunity in farming. To accomplish this he asked Congress to expand FmHA's authority so that it could loan more money at lower and more flexible rates. This proposal was based on "our experience over the years [which] shows that low-income farm families can make phenomenal progress if a little opportunity and assistance is made available to them."

2. Stimulation of further industrial development in underdeveloped rural areas and special assistance to low-income farm families or persons living on inadequate farms who desire to engage in nonfarm work either full or part time. The technological revolution in agriculture made this imperative. According to Brannan: "Full-time or part-time jobs in nonfarm work may be the best answer to the twofold problem of raising the level of living of some low-income farm families and contributing to economic stability." Here he agreed with people in the private sector such as True D. Morse, but with the difference that he wanted a special government agency created for this purpose, one that "might not necessarily be lodged in the Department of

Agriculture." He foresaw the creation of job training programs "with financial assistance to cooperating industries in the training program; financing transportation and moving costs to new job opportunities with special attention to nearby areas; subsistence grants to new employees during the training period . . . and expansion of recruitment and placement facilities in areas of heavy agricultural underemployment."

3. A program for the benefit of families or persons who gain their living principally as hired farm workers. Here he sought legislation that would extend wage and hour standards, social security, unemployment insurance, and workmen's compensation to farm workers and create standards for housing. In addition, he advocated that special job placement aids, transportation assistance, relaxation of State residence requirements for health and welfare services, and more education facilities for children be provided to farm workers and their families. Brannan told the panel that these activities would "require a division of labor to be worked out between the Department of Agriculture, the Department of Labor, the Federal Security Agency, and other Federal and State agencies."

In addition to the need to promote social justice, Brannan justified these programs on the basis that rural underconsumption was slowing national economic growth and that a disproportionately large number of future citizens would come from the ranks of the rural poor. He predicted that "if these children reach maturity embittered by the experiences of their early lives and ill-equipped for the economic struggle, the effect on the American future will not be good." One of his congressional interlocutors observed that the poor might then migrate to the cities where they could fall victim to communist propaganda. Brannan's proposal might then be seen "as our greatest bulwark right there to help these people before they go in and live in these teeming slums."

In both its overall thrust and its specific details, Brannan's proposals anticipated those put forward by the Kennedy and Johnson administrations 11 to 15 years later. His warning that rural poverty could corrupt national life by forcing millions of unprepared poor people into cities foreshadowed the debate over rural/urban population and development imbalance begun by Secretary Orville Freeman in 1965.<sup>7</sup> But 1949 was not the right time to ask for major changes in rural policy, as was soon shown by the demise of USDA's Bureau of Agricultural Economics (BAE).

In the 1930s, BAE became one of the principal staff groups supporting New Deal agriculture and agricultural resettlement policies. After the war it turned its attention to cotton production in the South. A BAE study concluded that most of the laborers, tenants, and small farmers employed in cotton production would soon have to find other work. BAE economists proposed incentives and training programs for this purpose and also wrote a report entitled "Cultural Reconnaissance" that contained references to race relations, white supremacy, and racial segregation. Important southern congressmen were very critical of this kind of rural development research, and a departmental reorganization in 1953 abolished BAE and scattered its economists among other agencies. Another way would have to be found to promote rural development, one that avoided even the hint of direct federal intervention in local communities.<sup>8</sup>

In 1950, rural sociologist Douglas Ensminger pointed to some characteristics of rural areas that future rural developers would attempt to take advantage of. Writing in *Rural Life in the United States*, Ensminger asserted that the "record to date shows that agencies have succeeded or failed depending upon the degree to which they have entered the culture of the

people - that is, the degree to which they have become a part of the community." He went on to say that in the preceding years rural society had become increasingly differentiated, and that in many areas formal organizations with ties to federal agencies had replaced informal associations. The ability to affect the development of these communities, Ensminger argued, would be based on understanding the significant group relationships and the basic trends in organization and in continuing to interpret them in meaningful terms, "so that those who seek to guide and give leadership to rural life in programs may do so with knowledge and wisdom." The implication of this article was that Federal agencies would have to work through local associations and governments if they were to succeed. In other words, rural sociologists were reaching conclusions similar to those of True D. Morse.<sup>9</sup>

### **The Eisenhower Administration**

Dwight D. Eisenhower became President in 1953 and appointed Ezra Taft Benson as his Secretary of Agriculture. Benson favored a free market in agricultural commodities. Benson's principal objective was to lower and ultimately abolish government support payments to farmers. He did not seem to be the kind of secretary who would favor a federal rural development program. However, he selected True D. Morse as his Undersecretary, and Morse was able to convince Benson of the need for a modest program aimed at low-income farmers. Morse most likely strengthened his case by telling Benson that such a program could be used to indirectly criticize federal commodity payments by showing how they had not benefited low-income farmers. Benson picked up this idea and soon was fond of saying that "if we had spent half as much money and effort during the past 25 years to develop agriculture's human resources as we have spent trying to support the prices of farm products and control production, both farmers and non-farmers would be better off."<sup>10</sup>

In January 1954, President Eisenhower issued a special message on agriculture stating in part that "the chief beneficiaries of our price-support policies have been the two million larger highly mechanized farming units which produce about 85 percent of our agricultural output . . . Special attention should be given to the problems peculiar to small farmers."<sup>11</sup> This was the signal to undertake a study of low-income farmers, which Morse assigned to Don Paarlberg, an assistant secretary and economist, formerly with Purdue University, where an interest in rural development had begun several years earlier.

Paarlberg and a team of researchers formed a Task Force and spent the next year studying the problem. It soon became clear that the idea of rural development would not be accorded immediate approval within USDA itself. For instance, Calvin Beale, who later became USDA's leading interpreter of rural demographic trends, recalls a meeting in 1954 at which an official of the Extension Service informed the task force that his agency would not be able to participate in such a program. Beale recalls that he went on to say that:

"The county officials who paid part of the agents' salaries would not tolerate any work by the agents in programs that might lead to development of local nonfarm employment (competitive with farm labor) or training programs for nonfarm employment or provision of information about nonfarm jobs. And that was the end of Extension's participation in that task force. Clearly, however, the message got through over time, and soon Extension Service was involved with more enthusiasm."<sup>12</sup>

Although the Extension Service did, indeed, eventually participate in the rural development program, this official touched on problems that would affect his organization for many years to come. USDA was not organized to deal with low-income farmers or the rural nonfarm population, and its agencies would need to be convinced of the need to direct more attention to these groups.

In April 1955, Paarlberg's Task Force published a 44-page booklet entitled the *Development of Agriculture's Human Resources: A Report on Problems of Low-Income Farmers*. The report began by pointing out that in 1950 there were 5.4 million farm operator families in the United States of which 1.5 million, mostly small farmers, had annual cash incomes under \$1,000. The problem was significant and the approach to it, the report continued, must be primarily educational and developmental. Some aids and credit could be used to enhance the opportunities for off-farm employment, but it was considered that whatever was to be done "must be done within the American philosophy that each individual make his own decisions and set his own goals."<sup>13</sup>

The Task Force found that in nearly 1,000 counties, most of them in the South, Southwest, Upper Great Lakes, Ozarks, Appalachia, and the Northwest, one half of the farmers were dependent "on the income from small, poorly paying farms." In the South and Southwest, rural poverty was frequently associated with the presence of oppressed minority populations. (That language, however, was not used in 1955.) In other cases, the Task Force discovered that low-income farms were often found in areas which once had hosted rural industries such as lumbering and mining. When these extractive industries declined, many people were left without supplemental income or were forced onto marginal subsistence farms in order to survive. During the Depression the Farm Security Administration, which in 1946 became the FmHA, had assisted some small farmers to move from marginal land into new farming communities, but this kind of direct New Deal assistance to small farmers was no longer politically acceptable.

The report recognized that little practical aid could be given to older people "outside the range of welfare and social security services," but that younger farmers could benefit from vocational training, better credit, better management, and better information on crops and livestock. The report recommended 14 steps to improve employment and training opportunities:

1. Federal and State agencies should expand their extension services and launch an experimental rural outreach program in a limited number of counties to gain experience.
2. Private and cooperative lending agencies should be encouraged to extend more intermediate-term loans to worthy borrowers trying to develop farms.
3. The Farmers Home Administration should also loan more money "to supplement private and cooperative sources."
4. A State-Federal research program should examine employment, training, and farming adjustments.
5. In cooperation with USDA, the Land-Grant colleges should hold State and regional meetings to discuss adapting ideas to local needs.
6. State employment services should improve their services to low-income farmers.
7. The Federal Government should identify areas of rural underemployment and include them "as part of the labor market services to make occupational adjustments easier."
8. USDA should work with the defense industry to develop employment opportunities in rural areas.

9. The Federal Government should improve educational and vocational training opportunities by revising formulas for grants in aid.
10. USDA and the Department of Health, Education, and Welfare should set up pilot vocational training programs.
11. USDA and State agricultural colleges should participate in the White House's 1955 Conference on Education.
12. Rural people should be informed about how to qualify for Social Security. Inclusion of farmers under Social Security beginning in 1955 was an important step.
13. Government should promote better health and nutrition.
14. Private trade area programs and community development efforts have been effective. Farm, business, and community leaders should unite in efforts to develop their communities.

Another important suggestion was that pilot counties be selected "in a sufficient number. . . in each low-income area to cover the range of different conditions." In these pilot counties consideration should be given to "setting up county and community committees with a broad base of participation; assembling materials for analysis or planning through cooperative efforts by all agencies concerned; using farm and home management specialist teams to work with individual farmers; exploring methods of working with farm people of limited opportunities; and developing community programs and goals."<sup>14</sup>

In general, the report presented a concise and well-written analysis of the problem of rural poverty, and it still holds up today as one of USDA's best research efforts in the field. What it did not contain was a call for any kind of large governmental program. Obviously, such a recommendation would have been inconsistent with the market-oriented philosophy of Benson and Morse, although many USDA economists, holdovers from the New Deal era, would have supported it. Given this situation, the rural development program had to depend much more on exhortation and example than on federal money.

### **Morse's Program Begins**

The limited scope of the program was apparent almost immediately. In 1955, Joseph J. Doherty, at that time a junior (GS-9) public affairs specialist, was selected to run the daily business of the program. Morse attempted to get Congress to fund Doherty's position but the agriculture committees refused to do so, which was one indication of how the congressional leadership viewed the program.

During the next five years Doherty wrote or edited almost everything about rural development that came out of the Washington office of USDA, including the annual reports. During those years he said he worked harder than at any other time in his life. Because his position was not officially funded, he kept his desk in the Public Affairs Office and recalls that some of his colleagues looked somewhat askance at him because of his ability to have direct access to the Undersecretary, despite his junior civil service status. In 1957 Harry J. Reed, retired Dean of Agricultural Economics at Purdue University, was hired to be the Coordinator of Rural Development. Doherty, however, continued to do all of the day-to-day work and saw Reed, who spent most of his time giving speeches outside of Washington, DC, only a few times. Garland Marshall took over from Reed in 1959. He had more direct involvement in the program but Doherty continued to do most of work until the end of the Eisenhower Administration.<sup>15</sup>

Morse inaugurated the program by holding several regional conferences at which the

participants were encouraged to make suggestions. In June he appeared before the House Agriculture Subcommittee on Appropriations. To those skeptical members who did not see much new in his ideas, Morse replied:

"The program before you is a modest one. It is modest for reasons of prudence, because we will be learning as we go and we wish to build soundly on experience. . .

"I have heard it said that there is little which is new in the Rural Development Program. Of its separate parts this is undoubtedly true to a certain extent. But the coordination of these separate parts is new, the emphasis on a balanced vocational training program is new, the adoption of the farm unit approach is new, and the high degree of local responsibility is new. Especially, the emphasis we propose to place in this program is new. In any case, we are less concerned with whether the program is new than whether it is good; we are less concerned with documenting its parentage than with charting its future."<sup>16</sup>

Morse said the program was limited by available personnel and "the restricted inventory of knowledge as to how we might best proceed." Therefore, he favored a cautious approach, one that avoided "over-selling" the program so that people did not get unrealistic expectations that USDA would solve problems that "go back a hundred years or more." On the other hand, he told them once the program had begun "we must not falter" and must show evidence of "forward motion."

In 1955 Congress passed an amendment (PL-360) to the Smith-Lever Act, which had created the Extension Service in 1914, authorizing the use of special funds for projects in low-income counties. According to the amendment, the Service was to give "assistance and counseling to local groups in appraising resources for capability of improvements in agriculture or introduction of industry designed to supplement farm income [and] cooperation with other agencies and groups in furnishing all possible information as to existing employment opportunities."<sup>17</sup> Congress appropriated most of the funds requested, thus permitting the Service to hire 120 new extension workers. This was to be the only piece of specific rural development legislation passed during the Eisenhower administration.

As previously mentioned, Congress was generally indifferent to the program. For instance, in 1957 the Extension Service received an appropriation for \$640,000. By 1960 that amount had risen to only \$2,000,000. One of the reasons for the low levels of funding was the opposition of Jamie Whitten (D-MS), chairman of the House Agricultural Appropriations Subcommittee. In 1956 Congressman Whitten asserted that "the Rural Development Program, which was offered several years ago to help low-income farmers of the country, is another program adopted by the Secretary as a substitute for adequate farm income."<sup>18</sup> According to Doherty, Whitten was eventually persuaded to accept some modest funding requests after the intercession of two of his colleagues on the subcommittee. Whitten, however, was not alone. Many congressional Democrats suspected that "rural development" was a smokescreen to cut price supports and Benson's statements linking the two programs did nothing to dampen those suspicions. In any case, Morse was not worried about funding, preferring instead to go slowly with a pilot program.<sup>19</sup>

### **Pilot Rural Development Program**

Pilot rural development counties were not chosen directly by USDA. To do so would have violated a basic premise of Morse's self-help philosophy. Rather, State agricultural colleges

were given general eligibility criteria (e.g., counties where half of the farmers earned less than \$2,500 in cash income) and were asked to nominate counties after securing the consent of the local political leadership.

By the beginning of 1957, 57 counties had been selected.<sup>20</sup> This number slowly expanded until 200 counties were participating in the program by the end of 1960. All of them were located in the regions pinpointed by the *Human Resources* report. None came from the Great Plains or Midwest where the incidence of rural poverty was lower. Even though low income was a criterion for involvement, Doherty wanted to avoid use of the term because he feared it would discourage potential participants who did not want to be stigmatized by the label. He suggested that instead "as much as possible, we should use such terms as Rural Development Program, community development, cooperative local efforts, family-type farm, successful part-time farming, small farmers, farm progress, etc." This advice was usually followed during the next 5 years but it was impossible to totally expunge the term, especially from research publications.<sup>21</sup>

In the 1950s rural development basically consisted of extension workers helping community leaders to organize state and county rural development committees which then explored ways of improving social and economic conditions. Meanwhile, the Washington office of USDA provided moral support with a steady stream of "how-to" and success-story pamphlets.

At the end of 1956, Don Paarlberg summarized the status of the program at that point before the American Farm Economic Association. After describing conditions in rural America and the self-help philosophy underlying the program, he noted that of the 24 States participating in the program at least 20 of them had formed committees to provide statewide direction. These committees differed in their makeup but that "in all cases, nonagricultural agencies working in the State are represented, either as full or participating members." Paarlberg cited the case of North Carolina where the State welfare and health agencies, industrial education, and small industrial commissions all had a part in the work of the rural development committee. Perhaps most encouraging of all for the future of rural development was that in "some instances the first meeting of the rural development committee was also the occasion for the first meeting between representatives of one agency and another."<sup>22</sup>

By early 1957, farm economists outside USDA were beginning to take notice of the program. Writing in the May 1957 issue of the *Journal of Farm Economics*, University of Wisconsin professor Raymond J. Penn made several interesting observations. He noted that rural development had previously been limited to low-income areas, but that this restricted focus "prevents activities in many regions where substantial progress might result from small effort. . . . And it cannot even be limited to 'rural' areas, since the program once underway must also include urban people." He pointed out that since the program had been assigned to the Extension Service it was primarily an educational and planning effort and was short on "action". Penn concluded that:

"The rural development program is based on some very good ideas. It is facing some serious difficulties. It has possibilities of becoming a strategic part of a most important economic development program for the whole economy, not simply rural areas."<sup>23</sup>

In February 1957, a special report written by Doherty summarized the early accomplishments of the program. For the most part it consisted of anecdotal accounts of local success stories. The following account is typical of those appearing in this and similar publications:

"Leaders in Tippah County, Mississippi, in the southeastern hilly area of the Nation, are doing something about the serious economic problems they face. . .

"In mid-November 1955 Tippah's people formed a rural development committee, which is representative of farm, business, civic, youth, and government interests in the area. . .

". . .A small clothing factory, employing 250 people, has already located in the county in a building remodeled by local people. Money raised by subscription from businessmen and the more prosperous farmers has financed a milk receiving plant, which will not only employ county workers but also provide a new market for dairy farmers. . .

"Farm and home unit planning has also received new encouragement through the work of the rural development committee. Early in the program, a special two-day meeting of State and local representatives of the Extension Service, Soil Conservation Service [SCS], and the Farmers Home Administration developed a unified farm and home plan acceptable to each of them which will be used in educational work with small farmers.

"Three Extension Service employees are working half their time on Rural Development Program projects, and one technician has also been added to the county SCS staff. These and other agency representatives are helping the rural development committee put its own program on a firm base and move into coordinated, countywide economic improvement."<sup>24</sup>

As this report indicates, other USDA agencies were also involved in rural development, although the Extension Service was the lead agency throughout the 1950s. For instance, in 1956 the Soil Conservation Service contributed more than 12,000 man-hours of time to conservation work in pilot counties. According to Doherty's report, the FmHA had opened full- or part-time lending offices in 8 pilot counties where offices had not been previously located and a total of 23 employees had been hired for pilot areas or had been transferred to them. Doherty also claimed that many county rural development committees included members of the Agricultural Stabilization and Conservation Service and that in some places they had increased cost-sharing payments for certain practices to encourage conservation improvement in the program.

The rural development program was of particular interest in West Virginia where farm incomes were generally very low. In May 1957, J.O. Knapp, Director of State Extension at West Virginia University, had great hopes that the program could improve conditions in his state. Lewis County was picked as the first pilot county in West Virginia using the following criteria: (1) that a majority of the county's population live on farms and depend on farming for the major part of their income; (2) that there be some potential in the quality of soil and topography for the improvement of farm income; (3) that the people of the county be willing and interested in participating in the program; (4) that marketing facilities be available; (5) that opportunities be available for vocational training; (6) that there exist the possibility of some financial support from local sources.

A county meeting was held at which "all segments of the county population were represented." A 15-member county committee was formed and this committee in turn decided to form sub-committees to study: (1) labor, (2) industry, (3) farm marketing, (4) education, (5) transportation and communication, (6) water resources, (7) land use, (8) health and recreation, (9) credit and loans, (10) public assistance, (11) public facilities, (12) natural resources, and (13) publicity and promotion.

The associate county agent coordinated activities between the committees. According to Knapp, all government organizations within the county were cooperating to the maximum degree but served only in an advisory capacity on committees and did not have voting powers. This, of course, was consistent with the philosophy of the program and was standard operating procedure for federal agencies in all of the pilot counties.

Knapp then listed six preliminary accomplishments of the Lewis County program and concluded his report with high hopes for the future.

"There have been other results both tangible and intangible. Most important, however, is the fact that the county committees spent much time determining resources and goals. They planned well. Now, these committees can move forward on a broad front with some assurance of success. You can only create additional problems by hasty actions."<sup>25</sup>

Price County, WI was one of the most ambitious success stories for the Extension Service in the early history of the pilot program. In late 1955 a development committee and several working committees began planning, led by the county Extension staff and including farm and village residents, as well as those from most of the towns. Rural sociologists, agricultural economists, foresters, and others from the University of Wisconsin contributed their efforts, using an intensive educational program to stimulate community leadership, small businesses, and the tourist industry. The 2-year project "set the pattern for total involvement, with all county agents and personnel working toward the goal of overall community improvement and progress."<sup>26</sup>

A Committee for Rural Development Program was formed in 1957 and included the undersecretaries from the departments of Agriculture, Interior, Commerce, Labor, Health Education and Welfare, the Administrator of the Small Business Administration, and a member of the Council on Economic Advisors. (There had been some cooperation among departments since 1956.) In 1958, this committee (and others) participated in a conference on rural development held in Memphis, TN. Many of the presentations were devoted to the potential benefits of tourism for rural areas, apparently the first time that tourism was accorded such an important potential role in rural development. The growing awareness of tourism stemmed from the impact of federal interstate highway construction on rural areas.<sup>27</sup> In fact, looking back on this period, Joseph Doherty believes that the new interstates, begun in 1956 after the passage of the Federal Aid Highway Act, had the largest impact of any program on rural areas.<sup>28</sup> Not only did they allow more people to visit rural areas but they also made it more attractive to locate industry in rural areas near cities. What was probably not noticed at the time was that Federal highways further marginalized many other rural areas that were outside their orbit of influence.

The conference identified seven important trends in rural America society: (1) rural standards of living were improving and rural/urban differences were diminishing; (2) rural education was improving; (3) there were fewer and larger commercial farms; (4) farming was becoming more specialized; (5) there was more part-time farming combined with part-time non-farm work; (6) there were more nonfarm residents in rural areas; and (7) city dwellers were making greater use of rural areas for recreation. Given this rather optimistic assessment of trends in many of the more prosperous rural areas, the participants agreed that the rural development program should continue to focus on low-income counties.

In 1959, President Eisenhower issued an executive order formalizing the Committee for Rural Development Programs. True D. Morse called this order the "most important event" since

the creation of the program in 1955.<sup>29</sup> By this time Morse, who had a passionate attachment to rural development, was becoming frustrated by the lack of attention it was receiving, both from within USDA and from the media. In retrospect, it appears that the executive order did not accomplish much, but at the time it must have given a boost to Morse's flagging enthusiasm.

Actually, there had been a few articles about the program since 1956. Most of these had appeared in rural newspapers. In February 1959, the National Planning Association took notice of the program and issued a report that looked favorably on the idea and Morse's commitment to it but faulted it for "having failed to see the magnitude of the situation."<sup>30</sup> According to the Association, the program's leaders had become victims of their propaganda. A few new factories and projects here and there were fine but insignificant given the extent of the problem. "Valuable though such local projects may be in their own right, they might be multiplied many fold without making more than a small dent in the huge problem at hand." A few months later, the *Christian Science Monitor* published a generally favorable article with the headline "Operation Bootstrap", which Morse disliked because it ignored the Federal Government's role. After reporting that the program had stimulated some preliminary activity and had increased awareness of the problem, the paper cited the National Planning Association's earlier criticism and concluded that:

"The answer as to whether the Rural Development Program in its present form offers the nucleus of the long-needed solution awaits the further test of time and experience. But even its most vocal critics are likely to concede that this program represents the first organized, fruitful effort to devise long-range, widely applicable solutions for one of the nation's most heart-stirring problems."<sup>31</sup>

### **Pilot Program Winds Down**

In October 1960, several USDA staff members concurred with these outside evaluations, in a paper presented at the Regional Rural Development Workshop at the University of Nebraska. The paper summarized the current state of knowledge concerning rural America, and its conclusions were less optimistic than those presented at the Memphis conference 2 years earlier. Although they did not refer directly to the Rural Development Program, their observations certainly could have been interpreted as recommendations for future action.

They noted that the proportion of nonfarm income for farmers in low-income areas was surprisingly high, which supported the view that a "broader approach to the solution of the low-income problem than on-farm adjustments is necessary."

Many of these areas were poor because natural resource industries such as coal and timber had declined, forcing communities to depend more on marginal agriculture production. Since much of the problem of low-income areas had its origins outside of agriculture, much of the solution would have to come from other sectors of the economy. Looking ahead 15 years, they predicted that agriculture would require one-third less man-hours of labor or 2 million fewer workers. One of the biggest problems was that younger and better educated people were emigrating from rural areas, leaving behind older and very young people, who contributed less to the local economy. Their use of adjectives such as "drastic" to describe changes in rural America underscored the seriousness with which they viewed the situation. They noted that smaller trade and service centers were being supplanted by more remote and larger centers, which in turn affected governmental functions, utilities, hospitals, schools, and other local institutions. In other words, these economists were implying that the scope of rural development had to be expanded

beyond low-income areas. Their final remarks pointed the way to the future of rural development policy.

"The problems of our farm people in rural areas are closely linked to those of nonfarm people. We cannot expect satisfactory separate solutions of their problems. [The] Solution will require a broader look at problems and closer working relationships among the people involved and among agencies of government concerned with programs of alleviation."<sup>32</sup>

Some insiders thought the program had run out of steam and might disappear altogether when the new Kennedy administration took over. In October 1960, Joseph Doherty wrote to program coordinator Garland Marshall that the pilot concept was inadequate. What was needed were State and multi-county committees instead of "the approach to the program in the various states (which) is so varied and lacking in overall direction that in too many cases program goals and intentions set forth by the Committee are obscured, if not lost altogether."<sup>33</sup>

However, looking back at the program from the perspective of 30 years of subsequent history, Doherty's assessment of Morse's achievement is much more positive. Because Morse's work was often criticized by his Democratic successors as being little more than a "smokescreen" for Republican agricultural policies, it is worth quoting Doherty's reminiscences at some length.

"True Morse never believed the "pilot" RDP, which got started around about '55 or '56 after Congressman Whitten grudgingly allowed a little money for Extension, was the real essence of the program, even on a start up basis. He believed the *idea* of local leaders getting together, assessing their community's pluses and minuses, and putting together a plan for long-term economic-social improvement had universal applicability in poor, backward, marginal, etc. farming areas. He also believed that if only the USDA public information apparatus could be used aggressively and dynamically, the media and the cause groups would see the light and go forth with the word. He was much more appreciative and pleased with from-the-grassroots programs that had no or little government or university impetus than with those pushed into being by the USDA-State network of professional people, not that he disdained the latter. He simply didn't believe they had to get things started. . .

"The problem with this concept was, of course, that the 'Inside the Beltway' media, even in that distant past, didn't believe anything was real unless there was a lot of Federal money and Federal administration involved. . . If I recall, commodity programs were their bread and butter but politics was their real interest, and they were uniformly dubious of the Ike-Benson axis, a dubiousness nurtured and enlarged by many of their professional (i.e. career people) contacts in USDA, . . .

"Among my many duties at the time, was I guess I'd have to put it, doing the impossible, i.e., selling the journalists on the concept of community organization and development. Thanks to State initiatives, this has become a commonplace now throughout the U.S. In 1955 or so, reporters covering the Department simply considered it a joke, a way for the Republicans to throw dust in everyone's eyes while they made deep cuts in farm programs. Through one means or another, we did over the years manage to place objective stories here and there with independent writers or papers. . . , but in general because of the reporters' attitude around USDA, little news or feature stories were ever filed, which pained True deeply since he believed sincerely (if naively) he had some ideas which the world should know about."<sup>34</sup>

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