

The Kennedy Administration Picks Up the Pace

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As a senator from Massachusetts, John F. Kennedy had shown little interest in agriculture. In the democratic primary of 1960, however, he scored a key victory over rival Hubert Humphrey in the predominantly rural state of West Virginia. In the same year, Michael Harrington's *The Other America* focused national awareness on rural poverty in West Virginia and other Appalachian states. As a result of this book and the attention it received in the media, the need for rural development was seen by many more people than the handful of legislators and bureaucrats who had been its custodians up to that point. CBS's 1960 documentary on the plight of migrant workers ("Harvest of Shame") also helped prepare the groundwork.

Agricultural issues played an important role in the election between Kennedy and Vice President Richard Nixon, both of whom campaigned extensively in rural areas. The Democrats increased their criticism of USDA Secretary Ezra Taft, blaming his policies for huge farm surpluses and sharp declines in commodity prices. Consequently, Nixon attempted to separate himself from Benson during the campaign.

Despite Benson's unpopularity among many people, Kennedy's narrow victory came with little support from farm states. Kennedy had little knowledge of agriculture. Therefore, he wanted a secretary of agriculture who would leave him free to direct his attention elsewhere. He also wanted one from a farm state who supported the Democratic views expressed in the party platform and during the campaign. Kennedy considered several farm leaders but in the end chose Orville Freeman, who had nominated Kennedy at the Democratic National Convention and who had just lost his bid for a fourth term as governor of Minnesota. Freeman had worked on his grandfather's farm while growing up but was a lawyer by education and profession and did not have any direct connections to agriculture. In fact, his lack of close ties to agriculture was a point in his favor because Kennedy thought he might offer a fresh perspective. Like Kennedy and several other members of the Cabinet, Freeman was a relatively youthful veteran of World War II, and at 42 was the youngest Secretary of Agriculture up to that time.³⁵ Freeman soon displayed a keen interest in rural development. Of course, like all Secretaries of Agriculture, he had to spend most of his time on price support and other farm issues, but he often said he preferred to work on rural development.

One of the first things done under Freeman was to change the name of the Rural Development Program to the Rural Areas Development Program. Part of the reason for the name change was the tendency of a new administration to take credit for a program as though it had just created it. Most of the files from the old program were discarded in 1961,³⁶ and for many years thereafter, former Undersecretary Morse expressed disappointment that his work had been ignored by his Democratic successors. On the other hand, the new Administration could claim with some justification that the addition of the word "Areas" was more than just a nominal change. It signaled that it wished to move beyond the cheerleading approach of its predecessor and to become more directly involved through grants, loans, and technical assistance to rural areas.

Area Redevelopment Administration (ARA)

During the Eisenhower administration Senator Paul Douglas (D-IL) had sponsored rural area redevelopment bills that had been vetoed, and this became a campaign issue during the 1960 election. The passage of the Area Redevelopment Act (ARA) of 1961, which covered both urban

and rural areas, was one of the earliest legislative victories for the new Kennedy administration.³⁷

The ARA authorized grants for localities to develop infrastructure, including water, street, and sewer improvements, as well as business loans. Urban areas were required to show that they had experienced at least six percent unemployment for several years to qualify for help, while rural areas became eligible for assistance if they had a high incidence of low income families and sustained unemployment.

Douglas' draft bill had provided for an independent development agency for depressed areas, but the Kennedy White House insisted it be placed in the Department of Commerce. USDA had strong misgivings about this decision, but was only able to get authority to exercise a share of the administrative duties within rural areas.³⁸

The Secretary of Commerce was given discretion to designate counties. In addition to unemployment and low family income levels, the Secretary could also consider existing USDA rural projects, the extent of outmigration, and existing public assistance. Although the criteria were somewhat flexible, it was generally accepted that the eligible counties had to be relatively "depressed", which irked leaders of some counties who did not want to see their areas tagged with this label even if it meant the infusion of Federal monies.

At first, USDA refused to cooperate in designating eligible counties and thus ARA was forced to make decisions from faulty or incomplete data. Based on information it had, ARA chose 300 rural counties in addition to the 230 counties that had been in the Rural Development Program at the end of 1960. Many of these counties, it turned out later, were not "depressed" under the terms of the Act.³⁹

Within a few months, however, USDA began to cooperate with ARA. It organized the county rural development committees that submitted proposals through the national Rural Development Committee in USDA's Washington, DC office to the Department of Commerce. Generally the ARA funded proposals that USDA supported.⁴⁰

ARA lasted for only four years (1961-1965) and during that period came under increasing criticism. Business groups such as the U.S. Chamber of Commerce protested government interference in private business decisions. Labor unions objected that business was being encouraged to locate in areas where unions were weak or nonexistent. Southern supporters turned against the ARA as the civil rights campaign gathered momentum. And, as previously mentioned, local groups sometimes disliked being designated "depressed" and asked that their regions be removed from the list.⁴¹

By 1964, the 530 rural counties originally designated for ARA assistance had increased to nearly 1,000, but financial assistance was not increased proportionately. Nevertheless, ARA claimed to have financed 316 projects (as of 1964) that directly created more than 40,000 jobs.⁴²

In 1962, only \$170 million of the \$390 million authorized was actually appropriated, and even in spending this amount ARA was limited by administrative delays and tepid support from the Commerce Department. By 1963, opposition and criticism had become stronger and the House of Representatives refused to appropriate any money for the next fiscal year.⁴³

In addition to ARA, the Food and Agriculture Act was passed in 1962. One of its provisions permitted USDA to make and insure loans of up to \$1 million for rural water systems, which USDA believed was "the key that unlocks the door to industrial development."⁴⁴

RAD and TAPs

The cornerstone of all the USDA programs of the next several years was the local Rural Areas Development (RAD) committees, which were usually composed of business and political leaders. The Extension Service was responsible for organizational and educational leadership. Overseeing these committees was the Office of Rural Areas Development (ORAD), consisting of a Director (Almon Turley Mace) and five "field representatives" who were actually headquartered in Washington, DC. ORAD began as a liaison between USDA agencies that furnished information to ARA and the Commerce Department but soon grew into acting as a general clearinghouse for information on federal programs available for rural needy and rural development.⁴⁵

ORAD had a staff of 26 professionals, many of whom were paid out of ARA funds. For the most part, they were a highly dedicated and energetic group and many look back on their years with ORAD (and its successor the Rural Community Development Service) as the high point of their careers.⁴⁶ Unlike most Washington-based employees of USDA, the staff of ORAD had frequent contact with rural people and could often see the beneficial results of their work. Morale remained high among the staff because they felt they were actually "doing something to help people."

Rural Areas Development Program Goals

In the early days of the Rural Areas Development Program, a USDA official identified eight ambitious goals:

1. To preserve and improve the family pattern of American agriculture.
2. To increase the income of people living in rural America -- per person and per family -- and to eliminate the causes of underemployment.
3. To expand more rapidly the job opportunities by stimulating investments in rural America. . .
4. To develop rapidly but in an orderly way a wide range of outdoor recreational opportunities. . .
5. To readjust land use, nationwide, to achieve a balance so that each acre and resource are used for purposes to which they are adapted, and to meet national needs.
6. To provide appropriate services and adequate financial support for the protection, development, and management of our soil, water, forest, fish and wildlife, and open spaces.
7. To improve existing rural community facilities and institutions and where needed to build new ones so that people in our rural areas are assured pure water supplies, first-rate schools and hospitals, adequate streets and roads, and other services that are standard in a modern community.
8. To make continuous and systematic efforts to eliminate the many complex causes of rural poverty."⁴⁸

The ARA act stipulated that 50 percent of the grant funds went to rural areas because the bill's sponsors had feared that rural communities would not be able to compete successfully with urban areas. One measure of ORAD's dedication is that rather than preventing discrimination against rural areas, the 50-percent requirement soon acted as a brake on aid to them. Without the 50-percent requirement, ORAD would probably have been able to secure a higher percentage of ARA funds for rural areas.

The philosophy of local initiative continued under the Kennedy administration and the Extension Service's county agents remained as an important force in the field. They increased their efforts to organize local groups so that by February 1962, 1,012 counties in 43 States had functioning local rural development committees. County agents also provided technical advice in implementing the educational component of redevelopment efforts. The State of Georgia was the first to have all its counties organized into RAD committees.⁴⁷

The Kennedy administration generally favored FmHA, which also had an extensive system of local offices, and during the 1960s it expanded considerably its role in rural development. Because so much of the effort involved Federal loans, it was only logical to rely on this agency and its 12-year history of making loans to farmers. Therefore, FmHA took the lead in the new program of grants and loans involving the building of public community facilities authorized under ARA.

Title III of the Food and Agriculture Act of 1962 consolidated and expanded existing loan programs, thus allowing FmHA increased flexibility in helping a broader spectrum of credit-risky farmers to purchase land and amass working capital. In addition FmHA also assumed responsibility for community water system loans. A new Housing Act of 1961 extended the agency's housing loan assistance for the first time to nonfarm rural residents and providers of low-cost housing for domestic farm laborers. Thus, FmHA was able to expand its rural housing loans from less than \$70 million dollars to nearly \$500 million in 1965, or about enough to provide for 50,000 new or rehabilitated housing units.⁴⁹

Because it had expanded its loan activities to encompass many aspects of rural development, Secretary Freeman gave FmHA the task of organizing so-called Technical Action Panels (TAPs) on State and district (multicounty) levels. TAPs were composed of local representatives of USDA agencies and local community members, and served as resource boards which local RADs could call upon for advice when drawing up resource plans. (A joke among USDA personnel was that it was called TAPs because "we're on tap, not on top."⁵⁰) In keeping with the philosophy of local initiative, TAPs were supposed to act only when asked to do so, but there were undoubtedly some instances where they took the lead in promoting new projects. By the end of 1961, 151 TAPs had been organized and the number grew to nearly 3,000 by 1964.

The idea for TAPs came from a task force chaired by the Director of Agricultural Credit, John Baker (soon to be an Assistant Secretary of USDA) in May 1961. After several meetings with the group, Baker told Dr. Willard W. Cochrane, Acting Director of Agricultural Economics, of his hopes for an expanded USDA role in rural development.

"What we need is a blueprint of the best thinking from research studies bearing on this problem. It is our hope, as you know, to initiate, area by area, a series of programs to build buying power in the trade areas of rural America by starting to do what needs to be done to eliminate ultimately the causes of rural poverty."⁵¹

Baker told Cochrane the problem was too great to be dealt with exclusively by voluntary groups or a single agency. He pointed out that most USDA agencies were concerned "with some facet of resource use or farm and family life" and that they had the flexibility to adapt their programs to changing problems and needs. According to Baker, a chief objective was to obtain a coordinated interagency approach to rural development. He then proceeded to outline the TAPs' structure as it would exist for the next several years.

"Such coordinated direction would be the function of interagency boards operating at

National, State, and local levels to furnish strong direction and incentives for program formulation and action. The Rural Areas Development Board should serve this need at the National level. Some agencies will have a larger role to play than others, but there must be a clear-cut understanding of the respective roles and responsibilities of each agency. Failure in this respect will result in lack of real development achievement. Therefore, a primary need within the Department is for a thorough examination of agency functions and how these functions are performed in rural depressed areas."⁵²

TAPs' principal clients were the State and county Rural Area Development Committees (RADs). Although in many cases they were organized by agents of the Extension Service, USDA employees did not serve on them. Instead, TAPs members were to attend RAD meetings as observers and "to serve as consultants and advisers to the committees." One of the principal functions of the county RADs was to draw up economic development plans and forward them for review to the State RADs before going to USDA and ARA.⁵³ More typically, however, the RADs undertook projects without ARA support.

The following is an example of such a project in 1962 from Laramie County, WY. The first tangible project submitted to the local RAD committee was the possibility of a potato chip and/or flaking industry. Extension marketing specialists were contacted and facts and figures for building such an installation were made available to the area's potato growers. As a result of these deliberations, the RAD committee determined that rather than promote an expensive industrial operation, it would be better for them to form a disease-free quarantined "foundation seed-potato production area." The growers then organized themselves for this purpose.

Another RAD project was to upgrade meat packing facilities in the Cheyenne, WY area since an old facility with antiquated equipment had closed. A local business was able to secure a Small Business Administration (SBA) loan to expand an existing packing and processing plant, and this stimulated some local businessmen to take over and recondition the defunct packing plant. By the end of 1962, this plan was in "full operation and doing very well, both as a salvage industry and financially."

One town became concerned with its municipal water supply program. Its mayor, a member of the RAD committee, requested information on available loans and technical assistance for installing additional water storage facilities. The local FmHA representative was invited in and other sources of loans were surveyed and the information presented to the mayor. After sharing this information with the community, residents discussed the cost of storage and possible other methods to address their problem. They found that by revising their pumping facilities, they could supply their potential needs without additional storage. The pumping revision was much more cost-effective than borrowing heavily to upgrade storage facilities. Several other projects of a similar nature were also being planned.

Perhaps reflecting the Extension Service's continuing ambivalence with rural development work, the Laramie County Extension Agent who prepared this report for his superiors concluded that the story of the Laramie County Rural Areas Development Committee "is in itself an unusual success story," but that, on the other hand, measured in terms of large projects requiring vast sums of federal loans, "it may be construed as a complete flop. The reader is free to give it his own interpretation."⁵⁴

Upchurch Report

By late 1962, USDA economists were beginning to give their own interpretations of RAD. One of them was M. L. Upchurch of the Economic Research Service who three years later would become the Director of that agency. His 33-page "administratively confidential" report was perhaps the most extensive written during the Kennedy administration.

According to Upchurch, the rural development program was not a program in any specific sense, but rather a "mission that gives direction and identity to all USDA functions or programs." Upchurch believed like most economists that the free migration of labor was the sign of a healthy economy and that rural areas would have to adjust to smaller population bases. On the other hand, he argued outmigration was not a panacea for rural poverty because "the non-rural sectors of the economy have their own problems of employment."

Upchurch also examined the local organizations involved in rural development work. Many RADs and TAPs were capable of inventorying local resources and preparing overall economic development plans but Upchurch questioned whether this was sufficient given the increasing specialization of production that was characteristic of the modern economy. According to him, development of an industry in a particular rural community "will not, however, be in the national interest unless it provides a comparative advantage over other possible locations." Local economic plans should be placed in the context of the total economy before they could serve as a basis for national programs by national agencies and, as Upchurch saw it, "this requires an effective system of review and appraisal at State and national levels which we do not now have."

Next, Upchurch considered the work of individual USDA agencies. Here he noted that, to a considerable degree, the inherent nature of USDA programs was to attempt to increase per capita income through adjusting resources to a smaller number of rural jobs, rather than increasing the total number of those jobs. He bluntly stated that this state of affairs could not be altered simply by a desire to promote and coordinate programs. Except for limited functions under the Area Redevelopment Act and Manpower Development and Training Act of 1962, and some parts of existing Department programs, "we have done little to stimulate increased numbers of job opportunities in rural areas. We have had virtually no new resources for doing so."

Looking at the credit programs of the FmHA, Upchurch observed that the great majority of them were designed to enable farm families to increase their production or to become established as operators of adequately sized farms. FmHA programs, in the main, increased per capita income while reducing total labor requirements. (Presumably he meant that farm loans were increasing the size of farms and thus reducing the number of farmers.) He noted that the agency did make community facility loans for water, sewer, and recreational developments but cited a study completed in southern Indiana that indicated the existence of such facilities did little to attract new industry. He offered a similar analysis of the loan program of the Rural Electrification Program.

Under Public Law 566 of 1954, the Soil Conservation Service was authorized to provide technical and financial assistance for watershed protection, flood prevention, agricultural water management, and fish and wildlife development. The Food and Agricultural Act of 1962 included recreation among these purposes. The FmHA also participated by making loans to local organizations to finance local shares of construction costs. Once completed, such projects became the responsibility of the local communities. According to Upchurch, it was reasonable to "believe that watershed projects stimulate local economies, although the magnitudes of the

effects have not been measured accurately."

USDA also had several other conservation programs which involved retiring crop land or redirecting it towards more extensive uses such as grazing and forestry. In general, according to Upchurch, "achievement of conservation is most generally associated with a shift toward reducing total job opportunities."

Upchurch was more sanguine about the potential for recreational developments to draw people and investments to rural areas. The Ozarks and the TVA system were prime examples and there was every reason to believe that the Appalachian region and parts of the Southeast could also participate. Recreation development "on farms in major farming areas like the Corn Belt or the Great Plains may face more difficult problems."

The 1962 Food and Agriculture Act contained a provision for a "rural renewal program" modeled somewhat on existing urban renewal programs. It allowed USDA its loan activities to assist areas "where the entire development cannot be accomplished under the regular Rural Areas Development Program." Upchurch believed that with "sufficient funds the Rural Renewal program could be a significant force in providing the jobs needed for rural people." As it turned out, this program was not funded until 1964 and only five such areas were selected. Consequently, USDA officials considered this program to be no more than a marginal part of the overall rural development effort.

After considering the ARA and the Manpower Training Act of 1962, Upchurch concluded that around 27,000 new rural jobs had been created by recent efforts. Assuming a "multiplier effect" of three other jobs, of which one would be in a rural area, the total result was 54,000 new rural jobs or "about 1.5 percent of the employment opportunities needed now. Thus, we have a long way to go in dealing with the rural unemployment problem."

Perhaps most discouraging of all, however, was his conclusion, based on an analysis of the cost-benefit ratio of ARA programs, "that we need as an absolute minimum \$3.6 billion in new investment, over and above all other, to do the rural areas development job. . . In any case, to deal adequately with the problem of poverty, unemployment, and economic stagnation in rural areas, we need new investment in rural America on a much greater scale than is now taking place."

Upchurch closed his report by commending the coordination, stimulation, and direction of Department programs but warned that "progress will be minimal until substantial amounts of investment capital are available."⁵⁵

It is not known what impact, if any, the Upchurch report had on policy officials, but his detailed analysis did point out potential conflicts between the economic results of USDA commodity and loans programs and the objectives of rural development. The fact that these programs sometimes worked at cross purposes frustrated local USDA officials in subsequent years. When they experienced conflict, more often than not they chose to sacrifice rural development work in favor of their traditional duties.

The Program Continues

At the end of 1962 J. V. Hill, Assistant Administrator of the FmHA, was also assessing the early work of the program. In a speech to colleagues in Washington, D.C. he noted that when the program began, many considered it would be something like USDA's participation in the War Board or "another futile attempt in that direction." There was an initial reluctance on the

part of local FmHA personnel to participate in TAPs, and the Overall Economic Development Plans prepared by RADs were often "incomplete." However, he noted that in recent months the picture had been improving and "that great progress has been made. Rural Areas Development is emerging as a real driving force in getting economic planning and development done in communities and counties throughout our nation."⁵⁶ Making due allowances for bureaucratic boosterism, it seems that by 1962 more USDA personnel than ever before had become active participants in the program.

Some academics were also speaking optimistically about rural development. For instance, Professor Ernest J. Nesius, Dean of Agriculture at West Virginia University, enumerated five important "concepts" that had arisen and would guide future work in the program.

"1. Rural Development was launched on the premise that agriculture alone could not solve the problem of low incomes for the families living on the land because the answer, or some segment of the answer, was to be found in nonfarm situations. . .

2. Another idea that has borne fruit has been the increased emphasis on cooperation and working together by agencies - State, Federal, and county; public and private; tax-supported and member-supported. . .

Uniting capabilities into a unified program in an agreed upon direction, in which each agency acts independently and retains its identity and claims credit for what it has accomplished, has been a most promising and encouraging development. . .

3. Local leadership has been recognized and featured as the primary vehicle for action. . .

4. We have come to recognize more clearly that the economic flows and social phenomena are not contained by political boundaries. So we think in terms of trade areas or regions.

5. Rural development has caused us to more sharply define process and to adjust our program activities accordingly. . . . Process here is contrasted with a single event at a given time and at a given place. Process is a stream of events in sequence and in some direction."⁵⁷

Secretary Freeman

Within USDA, Secretary Orville Freeman was one of the strongest advocates of a trade areas and regional approach. The idea for a rural renewal provision in the 1962 Food and Agriculture Act seems to have originated with him and to have been motivated by a desire for "the development of specific geographical subdivisions in local areas with which a national group could work. . ."⁵⁸

As a former three-term governor, Freeman was familiar with both the strengths and weaknesses of rural county government. He knew that county government was close to its constituents but also that it was reluctant to change and frequently ill-adapted to deal with economic forces that transcended its political boundaries. Freeman strongly believed that successful rural development had to be based on regional planning and that ways had to be found to stimulate counties to cooperate for their mutual benefit.

The first successful step in this direction was the Resource Conservation and Development Act of 1962. According to the act, Rural Conservation and Development (RC&D) districts could be established to promote area-wide land conservation and land use planning by local RC&D committees with the USDA Soil Conservation Service providing essential soil

surveys and technical advice. By 1966, 20 pilot multicounty planning and program districts had been sponsored by SCS with over 600 active projects.⁵⁹

Freeman was also concerned about the absence of an overall legislative mandate for rural development. He believed that rural development was potentially the most important task for USDA and favored changing its name to that of the Department of Rural Affairs to reflect that fact. In early 1962 he pointed out to the National Advisory Committee on Rural Areas Development that the Rural Electrification Administration worked with both farm and nonfarm people alike and that FmHA's lending authority had just been broadened to include loans for rural nonfarm housing but, for the most part, "our laws seem directed to the urban dweller or the farmer. They leave out the nonfarm/rural dweller . . . When the Secretary evolves the new and broad concept which we feel he must -- moving to a Department of Rural Affairs -- the Committee may be able to help him determine goals, methods, and procedures."⁶⁰

The Advisory Committee was composed of academics, business people, and leaders of outside organizations involved in some manner in rural development. It met twice a year in full committee and was divided into several subcommittees. It is difficult to tell if it had any real influence on the program, but it was not simply a rubberstamp for USDA policy. Several of its members repeatedly criticized the Federal Government for what they saw as a relative lack of concern for the poorest of the rural poor. These same members were also not reluctant to speak out about discrimination against African-American farmers by USDA personnel in the South.⁶¹

Freeman attended most Advisory Committee meetings and was unusually candid in responding to members' questions. For instance, in 1964 he was asked whether USDA was structured to carry out a rural development program. After saying that it had taken 3 years to get "beyond departmental inertia," he went on to explain why local USDA personnel had difficulty doing development work:

"We have had instances where literally Extension leaders who wanted to do this have been fired, because as far as the board of county commissioners who pay one-third of their salaries is concerned, they couldn't care less, and if that Extension agent wasn't doing the traditional thing all the time and if he wasn't available for the powers within the community who might want him for something and he was off instead working with somebody in the poverty area or talking about cropland conversion or the development of a new economic base in that area why they would fire him. And in many counties, why those who are the pillars of society, and I don't speak deprecatingly, just as soon don't rock the boat, and they'd say 'well this is a lot of nonsense. We are getting along pretty good' and subjectively, perhaps with some of them, the thought is that if all this goes on maybe I'll no longer be such a big frog in a small puddle."⁶²

In January 1962 Freeman hosted a Land and People Conference in Washington, DC, the first of many national and regional meetings on the problems of rural America. Seven months later John Baker was appointed to the new position of Assistant Secretary for Rural Development and Conservation. He had been head of the National Rural Development Board since 1961 and for the next 7 years would be the administrative and inspirational leader of the rural development program in its day-to-day operations.

By 1963 some of the initial enthusiasm for rural development within USDA had become tempered as the magnitude of the problem became clearer. For instance, in March 1963 Subcommittee F (also known as the Disadvantaged Subcommittee) of the National Advisory Committee presented a report which pointed out the large task at hand. The Subcommittee looked at educational and career opportunities and vocational guidance of rural people and concluded "that it will take heroic efforts to provide the improvements and changes that are now urgently needed." The Manpower Development and Training Act of 1961 was important because it was the first such act to include farm people. Unfortunately, the subcommittee observed, far too few rural people were taking advantage of it because "in rural areas with acute underemployment, where the needs for employment are greatest, the services of the Bureau of Employment are the most meager." The same was true of the training and subsistence program of the ARA. Rural people were eligible but it was a "sobering thought that there are more than 500 rural counties eligible for ARA training assistance which have made no requests for training."

The Disadvantaged Subcommittee prescribed many familiar remedies but also enumerated some of the reasons, often left out of previous accounts, for the intractability of rural poverty, including: (1) the desire for cheap labor on the part of large landowners; (2) agencies' tendency to bypass groups that are difficult to work with; (3) poor peoples' inarticulateness and lack of access to political power; (4) the high percentage of young people dropping out of school; (5) the rapid decline in the need for unskilled labor necessitating more worker training and widening the opportunity gap between skilled and unskilled workers. This subcommittee also presented a report by Calvin Beale, chief USDA (Economic Research Service) demographer. Beale estimated that "fully one-fifth" of the rural population could be classified as disadvantaged and that "self-generated progress is peculiarly difficult for them because of the combination of unfavorable social and economic factors that limit their horizons. . ."

Most blunt in its assessment was the Rural Renewal Subcommittee which stated that in some rural areas the general level of economic activity and family income was so low and the lack of community facilities so acute that a complete rural renewal operation was the only answer.

"Approximately 800 counties of the United States are in serious 'low income rural areas' or in economically lagging rural areas. Some 31 million persons live in those areas outside metropolitan centers. These include farm and rural nonfarm families, as well as some persons living in small towns. Median net money incomes of these families are very low, usually one-third or less of the median family income for the Nation. These areas contain a high proportion of the part-time and part-retirement low-producing farms.

"In these 800 counties are 25,000 or more rural and small town communities which have been in a period of relative economic deterioration and heavy out-migration for two decades or more. Community and private facilities have run down and in many instances have been abandoned."⁶³

Field workers were making similar assessments. In November 1963, USDA's Director of Rural Renewal sent a paper to State directors written by Professor Richard Poston, Coordinator for Community Development at the Peace Corps office at the University of New Mexico. Peace Corps trainees were sent to northern New Mexico to help organize community action groups in preparation for service in Latin America.

According to Poston, an underlying problem in depressed areas was a serious

deficiency in community organization, awareness, and motivation. He credited Federal agencies with some successes but said because of inadequate participation on the part of local inhabitants in the development efforts "it has been impossible to make anything like the changes that are needed when measured against the magnitude of the job that needs to be done."

Posten claimed that RAD committees organized by government initiative are "little more than paper organizations, the very existence of which is unknown to most people." Moreover, the development plans were not followed up with sufficient action because of a lack of citizen involvement. Local residents remained apathetic and suspicious that government was trying to force something on them but, on the other hand, wanted government to "somehow solve the area's problems." Posten concluded that along with government aid there was a need for a community development service that "will supply community organization and development personnel to work with the area's local communities."⁶⁴ This idea would come to fruition in 1965 with the creation of the War on Poverty's VISTA (Volunteers in Service to America) program and USDA's Rural Community Development Service.

35. Norwood Kerr, "The Kennedy Administration," unpublished ms., USDA Economic Research Service, p.6

36. Interview with Ruth Connor, 7/15/92.

37. Crane, "Rural Depopulation," p. 114.

38. Annual Report of the Secretary of Agriculture, 1961 (USDA, 1962), p. 35.

39. Crane, "Rural Depopulation," p. 115.

40. Ibid., p. 116.

41. Ibid., p. 118.

42. Annual Report of the Secretary of Agriculture, 1964 (USDA, 1965), p. 43.

43. Crane, "Rural Depopulation," pp. 116-118.

44. *Annual Report of the Secretary of Agriculture*, 1964 (USDA, 1965), p. 43.

45. HSF, XV, RD 1961-1968, Almon T. Mace, "The Rural Areas Development Program," speech to the annual meeting of the New England Agricultural Economics Council.

46. Interview with Ruth Connor.

48. HSF, IVD, Rural Areas Development, "The Aims of RAD," n.d.

47. HSF, XV, Rural Development Program News Folder, "Rural Development Newsletter," 10/61.

49. "Rural Development," Hearings Before the Subcommittee on Rural Development of the Committee on Agriculture and Forestry, part III, U.S. Senate, 92nd Cong., 1st Sess., p. 158.

50. Thomas Hady e-mail message to the author, 7/23/96.

51. HSF, XV, RD 1961-62, John Baker to Willard Cochrane, 2/27/61.

52. Baker to Cochrane, 2/27/61.

53. HSF, XV, RD 1961-62, "Suggested Guidelines," 6/61.

54. HSF, XV, RD 1961-68, "William C. Bertel, "Report of the Laramie County RAD," 11/63.

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55. HSF, XV, RD 1961-62, M.L. Upchurch, "A General Appraisal of the Rural Areas Development Program," 11/62.
 56. HSF, XV, RD 1961-68, J.V. Hill, speech to the 1962 program meeting of the FmHA.
 57. *Congressional Record*, House, 8/3/61, p. 13571.
 58. HSF, IIB, Rural Renaissance and Rural Renewal, Orville Freeman to John Baker, 2/16/61.
 59. Crane, "Rural Depopulation," p. 138.
 60. HSF, Class Files, "Minutes of the Meeting of the National Public Advisory Committee in Rural Areas Development, 5/28,29/62," p. 16.
 61. HSF, Class Files, "Minutes of the Meeting of the National Public Advisory Committee in Rural Areas Development, 5/26,27/65."
 62. HSF, Class Files, "National Advisory Committee on Rural Areas Development, 11/23,24/64," p. 106.
 63. HSF, Class Files, National Advisory Committee on Rural Areas Development, Education and Training Subcommittee Report, Disadvantaged Subcommittee Report, Rural Renewal Subcommittee Report, 3/7,8/63.
 64. HSF, XV, RD, 1961-68, John Lovorn, Director of Rural Renewal Division to State Directors enclosing a paper by Professor Richard W. Posten, University of New Mexico, 10/21/63.