

Rexford G. Tugwell and The Economic Basis of the Public Interest

by Gerald F. Vaughn

Rexford Guy Tugwell (1891-1979) was a native of New York State. He received his bachelor's, master's, and Ph.D. degrees from the University of Pennsylvania where he completed his education in 1922 with a doctoral dissertation titled, "The Economic Basis of the Public Interest." The dissertation proved to be a guide to his later work in academics and in public service.

Tugwell regarded economics as an evolutionary science, and he advocated experimenting with economic and political institutions as a way to better respond to society's continuous change. He was convinced of the need for a stronger governmental role in economic affairs and was regarded as an institutional economist.

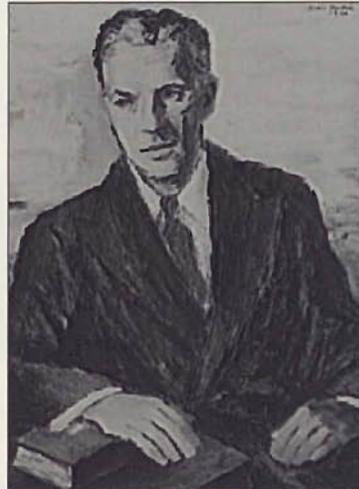
While teaching economics at the University of Pennsylvania, University of Washington, and Columbia University, Tugwell refined his thinking about experimenting with economics and economies. By 1924 he was openly avowing experiments, and in the late 1920s he and his views came to the attention of then-Governor Franklin D. Roosevelt in New York, who was receptive to Tugwell's innovative ideas. Tugwell focused on the social planning and control needed for economic recovery as the Depression deepened. He held that a system of planned control is essential to secure the best balance in economic production. He became a key figure in the "Brain Trust" that helped Roosevelt become President of the United States and aided in formulating the New Deal policies.

Tugwell's defining experience came in the early 1930s when he left his post at Columbia University to serve in the New Deal administration of President Franklin D. Roosevelt. Tugwell was appointed Assistant Secretary of Agriculture in March 1933 and promoted to Under-Secretary of Agriculture in June 1934. He immediately turned attention to the serious problems of land utilization and farm tenancy. Here was an opportunity to apply his notions of social and economic reform to real-world problems.

The Resettlement Administration

Tugwell's concept of experimenting and making resource adjustments to complement changes in the aggregate economy came into sharp focus while he was at work with the New Deal — especially while he was Administrator of the Resettlement Administration in 1935 and 1936.

The Resettlement Administration was an independent agency with close ties to the U.S. Department of Agriculture. It was administered by Tugwell, who simultaneously served as Under Secretary of Agriculture. Tugwell sincerely sought to improve rural living conditions and was willing to experiment. An assistant to Tugwell in the Resettlement Administration observed: "Tugwell refused to tie his program to any formula or doctrine, he sought a pragmatic solution for each situation." The major pragmatic solution centered on purchasing marginal lands from marginal farmers and relo-



Rexford G. Tugwell as painted by Boris Deutch, c. 1935-1942.

ating the people to more productive areas. The land acquired by the government would then be systematically studied and a plan would be devised for its further use. The adjustments in land use were to be tied to other broad social and economic purposes.

In a radio address delivered in December 1935, Tugwell said: "This process of land adjustment is the basis of a long-time program and must be judged as such, and not as an emergency relief measure to be abandoned with the first economic upturn." Social action was deemed necessary to correct social and economic maladjustments resulting from improper land use. Land use planning was born.

Land-Use Planning

Tugwell created a Land Use Planning Section within the Resettlement Administration's Division of Land Utilization. Its purpose was to develop a sound factual basis for the New Deal's land program. The Land Use Planning Section was charged with formulating a comprehensive national planning program for better utilization of rural land. This included classifying land areas as to present condition and use; determining the best use of land types from physical, economic, and social viewpoints; and devising and applying policies for achieving these best land-uses. The Land Use Planning Section cooperated with state agricultural experiment stations, state planning boards, and the U.S. Department of Agriculture's Agricultural Adjustment Administration and Bureau of Agricultural Economics.

The Division of Land Utilization conducted its land use planning by creating and using a Land Use Planning Section headed by Ernst H. Wiecking in Washington D.C., but with regional and state field offices, as well. Various units were responsible for land values, land tenure, land classification, land settlement, public finance, legislative analysis, directional measures, and water utilization. The unit prepared maps showing areas where land was in a use that ought to be discontinued in favor of other uses. By June 30, 1937, a total of 206 submarginal land-utilization projects containing 9,149,000 acres, of which 98 were agricultural demonstration projects containing 6,806,000 acres, had been planned and approved for acquisition.

The Human Factor

The Resettlement Administration land utilization program taught valuable lessons about the relationship between land and people. Though government assistance was available for relocation, no family could be forced to sell its worked-out or marginal farm to the government. Relocation was voluntary, and assistance was provided upon request. A regional Forest Service employee in the Southeast, observed: "We can set down a simple rule [to grow trees] but when we come to apply it the trouble starts. There is more to consider than the land. You can't move people about like cattle. The man on a poor worn out farm still considers it his home, the only one he has, so that the problem is one also of education and often only a partial cure. These are the problems which the Soil Conservation Service and the Resettlement Administration are tackling and they have a tremendous problem ahead."

Ernst H. Wiecking elaborated: "Most certainly an action program in land utilization is not a program for land alone. Its real justification is and can only be—as for all conservation programs—service to the general welfare, now or in the future, and general welfare obviously means human welfare."

Obstacles and Criticism

Unfortunately, Tugwell's original intention to give primary emphasis to land reform and resettlement had to be re-examined because land purchase was proving expensive and time-consuming. Also, many farm people living on submarginal land were reluctant to participate in resettlement, and sufficient productive land onto which to relocate even willing participants was difficult to find. Perhaps the greatest obstacle, however, was the unpopular connotation of socialism or collectivism associated with land reform and resettlement, which threatened the success of Roosevelt's upcoming re-election campaign in 1936 and caused Tugwell to resign.

Tugwell's Resettlement Administration experiment was a qualified success. His land utilization program was criticized as inadequately targeted and difficult to administer, and the public appeared unready to accept the drastic step of resettling.

Program Accomplishments and Implications

Ultimately the submarginal land-utilization program nationwide was responsible for retiring 11.3 million acres of land that were poorly suited to crop production and maintaining this land in grazing, forestry, wildlife management, and/or recreation uses. Multiple-use was adopted to the fullest extent practicable.

My father, Ernest A. Vaughn, worked in Tugwell's Resettlement Administration. I have long been interested in, and have read various accounts of, the Resettlement Administration program's strengths and weaknesses. One

such evaluation, written by Kenneth A. Wilson and my father, was based on their eight years of work in wildlife management on Maryland's Eastern Shore. They conclude: "Here is land which was not good enough for farming; the farmers left it because they could not make a living. It was called submarginal, a 'sick' piece of land because it was not drained. In 1935 the crops were few and poor, game was scarce, the inhabitants discouraged. For four years a lot of money was spent, people and government agencies were criticized but now, eight years later, this work is beginning to make sense."

From his Resettlement Administration experience my father learned that wise multiple-use land management is workable. He successfully practiced and advocated this approach for the rest of his career in the Maryland Department of Game and Inland Fish. In his presidential address to the Southeastern Association of Game and Fish Commissioners in 1959 he urged: "We must begin immediately to consider carefully where we are going from here and what we must do to keep abreast of our rapidly changing social, economic, and land use conditions ... There must be a joining together of groups whose basic philosophies are parallel but do not converge on the overall goal of wise multiple-use management. Compromise must often be employed to reach decisions and harmonious cooperation for the benefit of the greatest numbers." The work of Ernest A. Vaughn was a continuation of the dream held by Rexford Tugwell.

Federal land-use planning made some progress until World War II brought new priorities. Support for land-use planning waned, and the Federal land-use planning initiative was dropped after the war. The absence of consistent Federal participation in land-use planning, and neglected adjustments in land utilization, have contributed to the persistence of severe soil erosion, water pollution, wetlands loss, and other resource problems throughout the nation today.

Tugwell held several other important posts after leaving the U.S. Department of Agriculture and Resettlement Administration at the end of 1936. These included being Governor of Puerto Rico as well as teaching at several of the nation's leading universities.

Rexford G. Tugwell was one of a kind. The United States has never again benefitted from the services of such an ardent advocate and practitioner of manipulating economic and social institutions — at least in the fields of agricultural and resource economics. Many years after, Hugh H. Wooten assessed the accomplishments of the Resettlement Administration and concluded: "The results of experience with the land utilization program of the 1930s may provide useful guides for future policies and programs dealing with land use adjustment, conservation, rural development, and alleviation of rural poverty." These results are slow in coming, but they likely would not be coming at all without the tireless efforts of Rexford G. Tugwell in the 1930s. ■