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POLICY PROBLEMS AHEAD FOR THE GREAT PLAINS

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Much has been written and done about the Great Plains in the past twenty-five years but a great deal more needs to be done in the years ahead. National agricultural policies should certainly be concerned with Great Plains problems, because what happens there will have a significant bearing upon the general level of agricultural attainment in the nation and also in the levels of our over-all economic activity.

Briefly, the chief characteristics of the Great Plains are these: (1) their 586,461 square miles represent about one-fifth of the land area of the continental United States; (2) they include portions of ten states—the eastern sections of Montana, Wyoming, Colorado, and New Mexico and the western sections of North and South Dakota, Nebraska, Kansas, Oklahoma, and Texas; (3) they have a population of 5.5 million people (1950 census) which is about one-third of the total for the above ten states, but only 3.7 percent of the nation's population; and (4) they are semiarid. To sum up, then, they are vast in extent, include parts of ten states, have a very sparse population, and are neither wet nor dry, but semiarid.

This semiaridity distinguishes the Great Plains from any other region in the United States. We might call the Great Plains an in-between area, because the precipitation on the average is so near the critical level for successful crop production that any significant fluctuations above or below the average result in bumper crops or complete crop failure. In Iowa precipitation fluctuates around a long-time annual average of about 31 inches compared with approximately 15 inches in Montana. A humid state like Iowa has relative certainty of successful crop production without special adaptive land use procedures, or in other words, a natural margin of economic safety. The Great Plains have no such natural buffer or margin of safety. The major policy problems ahead for the region, therefore, center around the development of workable substitutes to protect its farmers. The problems of the Plains would be much simpler if the region were either arid or humid rather than semiarid.

In the last four or five years the tendency seems to have been to forget the drouth, dust, and depopulation which was rampant in the Plains during the thirties and the severe drouths that hit sections of the Plains in the early fifties. Only one thing is certain about the Plains, and

that is that over a period of time we are sure to experience severe drouth as well as years of tremendous abundance and that the good and the lean years follow no set cycle.

Much of the trouble in the Plains during the worst dust storms in the thirties stemmed from ignorance or disregard of the characteristics of the area. We have since learned a great deal about the region and how to adapt our operations to its fundamental characteristics. We have made outstanding adaptations in using the land. Future policies for the Plains must also include adaptations in our institutions to make life in the Plains more stable and satisfying.

BASIC PROBLEMS OF THE PLAINS

The resource base of the Plains is by the very nature of the semiarid environment definitely limited, yet on this limited resource base has been built a complex civilization patterned after the culture in humid environments. The people who settled the Plains came from the humid areas to the east and west, or from foreign nations, particularly the British Isles and the Scandinavian countries, and these people transplanted the culture of these humid areas to the Great Plains. Adaptations to the semiarid conditions were not immediately necessary because the region experienced relatively heavy rainfall during the period of the heaviest settlement and fabulous wheat prices during the first World War. However, with more normal rainfall and the inevitable drouths which occurred later, the consequences of an unadapted culture became evident.

The cardinal feature of a farm economy adapted to the variations characteristic of semiarid growing conditions is *flexibility;* or, in other words, like some plants, the ability to "roll up and unroll." The farm operator needs a combination of enterprises which will allow him to take advantage of good growing conditions when they occur and to cut down during unfavorable periods to avoid dissipating his accumulated reserves. This procedure of expanding quickly in certain periods and shutting down abruptly in others is not our usual conception of good farm management, because most budget items in the farm management account require continuous and steady operation for highest efficiency.

A diversification or a combination of enterprises which will provide the needed flexibility is extremely difficult to achieve within the boundaries of an individual farm or ranch operating unit, but *area diversification* is an adaptive procedure which may be very useful. Under this procedure, the farm headquarters would be located in the irrigated area along streams where feed crops and gardens would be grown; wheat would be raised on good land extending back to the benchlands above the irrigated valleys; and livestock would be run on grazing lands

beyond the wheat-producing benchlands. Modern rubber-tired machinery permits operating wheat lands several miles from the farm headquarters without loss in efficiency. Grazing areas can be handled cooperatively and cattle cared for by cooperative grazing associations during the grazing season.

This form of land use would have far-reaching advantages since, with concentrated "string" communities situated in the irrigated valleys, the costs of public services, such as county government, schools, and roads, would be considerably reduced.

The Great Plains has other very serious problems apart from the major problem of adaptations to the natural environment. The Plains are largely an agricultural and a raw material producing area. These raw materials are exploited by the East, and Midwest, and the western seaboard where they are shipped for processing and consumption. The lack of a highly industrialized and urbanized sector makes the Plains particularly vulnerable to the vicissitudes of the business cycle as well as to the weather.

The financial and market centers are outside the Plains, and thus the humid-area civilization has controls that give it numerous advantages over the Plains people. Humid-area civilization rests upon a resource base, of course, but it has three very important characteristics that the Great Plains lack: (1) certainty and stability of income, (2) certainty and stability of contract performance, and (3) certainty and predictability of future income-cost relationships.[1] These three characteristics are basic to our entire economy and our procedures in conducting business. Ways must be found by which Great Plains people can be better assured of these three necessary characteristics for satisfactory business operations. Otherwise, the Plains will continue to be a high-risk area, many people will leave the region, and its level of economic achievement will be generally lower than for the rest of the country.

ACCOMPLISHMENTS TO DATE

"Necessity is the mother of invention," and certainly we have been forced to make many adaptations in our agriculture to fit the physical and economic environment in the Great Plains. Adaptations like summer fallow procedures, dry mulch cultivation, the abandonment of stubble burning, and the creation of larger operating units have done much to help our farms and ranches adjust to the peculiar conditions of the region. Great advances have been made in breeding plants more

[1]See Carl Frederick Kraenzel, *The Great Plains in Transition*, University of Oklahoma Press, Norman, 1955, p. 286.

suited to Great Plains conditions and in inventing machinery adapted to dryland farming.

Other accomplishments include irrigation of some five million acres, a degree of flood control, partial regulation of flows of main streams in the interests of downstream use, construction of some twenty-six hydroelectric plants with approximately a million kilowatts installed capacity, establishment of watershed management practices which have regulated water flow and reduced erosion, and the development of some recreation facilities. But these are hardly a beginning as is evidenced by the fact that about five-sixths of the Missouri Basin project (the so-called Pick Sloan Plan) still remains to be undertaken.

The Great Plains Council was established in the early thirties and through the years has helped to focus attention on the major needs of the region. "The Northern Plains in a World of Change" was published following an international conference of Canadians, Montanans, and North Dakotans held in 1939. The Missouri Basin project was authorized in 1944, and in 1953 the Missouri Basin Commission published its report on the needs of the Basin. In 1954 the Missouri Basin Research and Development Council, representing schools of business, planning boards, Federal Reserve economists, and agricultural economists from federal and state agencies, was established to program economic research in the region.

In 1955 the University of Oklahoma Press published what is undoubtedly the most complete volume on Great Plains problems, *The Great Plains in Transition,* authored by my colleague, Dr. Carl F. Kraenzel. He believes that the final solution to the difficulties of the Great Plains is to be found in a regionalism which will function for the welfare of the residents through democratic channels. He has analyzed thoroughly the adaptations which have been made in land and water utilization in the Plains, but points out that the successful inventions and adaptations have occurred chiefly in crop and livestock production and technology. Adaptations in social organization and institutional services have not been sought with the same urgency and enthusiasm, and he feels the greatest results in the future will occur in these areas.

Our lessons from the past have resulted in some very excellent adaptations: The Farm Security Administration writes mortgages with a variable repayment clause, and the Federal Land Bank has a flexible credit arrangement. The same principle is rapidly emerging in the form of crop insurance to apply to operating costs, but the principle needs to be extended considerably. Grazing associations were formed in which groups of operators developed the mechanism for obtaining control of vast land parcels on long-term leases. The associations in turn contract

with the individual for an annual payment based on the number of animals grazed. These associations are now trying to apply a sliding scale of grazing fees whereby payments for the use of land will be relatively small during periods of reduced livestock numbers and low income and relatively high during periods of ample forage and better prices.

The sparse population of the Plains makes it very difficult to maintain a high quality of public services. The rural school system has undergone tremendous reorganization. For example, in Montana the number of school districts has been cut from more than 2,200 in 1932 to some 1,100 today. Dormitories have been provided at the county seat or a major town for grade school children, and many rural families also have a home in town to enable their children to attend school in the winter. In the last several "good" years, much of the progress made through trial and error has been obscured. The adaptations that can and should be made in the Plains must be studied during these more prosperous times, because we are trying to work out methods to get the full benefit of the good years and yet survive during the lean ones.

MAJOR POLICY PROBLEMS AHEAD

We should be realistic and recognize that policies needed to make effective adaptations for the region are not going to be achieved easily. The Plains area proper is out-balanced by non-Plains influences in each of the ten states concerned. First, the majority of the people in each state live outside the Plains area proper. Second, the entire institutional pattern from government through private enterprise in the Plains states is a direct copy of typical Midwest and Mississippi Valley humid-area organizations and values. Third, the Plains area is so split up and unrepresented politically that it is very difficult to get a strong "voice of the Plains" heard through state channels to the national Capitol. For example, we all know that a Plains dweller's income is much more uncertain and variable than that of people who live in humid areas. Our federal income tax law, however, makes no allowance for the unique needs of the Plains dweller to put away a reserve for lean years.

The foremost need in the Great Plains today is the establishment of a Great Plains Administration, or a Great Plains Authority, or an administrative agency of some type, that will make it possible to achieve the adaptations which the Great Plains need. Some official entity should have responsibility for coordination of research and effective development of the region.

Certainly the Great Plains Agricultural Council has been useful, but it is composed wholly of federal officials and employees and con-

centrates on agricultural problems. The Missouri River Basin project does not correspond with the Great Plains region. It includes three strikingly different geographic areas and, consequently, its development program can in no sense be considered an adequate approach to Great Plains problems. Moreoever, under Bureau of Reclamation projects the irrigated land is not integrated with dry farming and range lands for effective area diversification. To develop large irrigated areas as complete units in and of themselves is simply to establish little islands of humid-area cultures within the Great Plains area proper. The benefits of irrigation can be multiplied many times by effective integrated development through area diversification.

A major problem, of course, is to get full agreement on the *need* for some over-all regional body for research and the execution of development projects. Equally important is the second step, namely, the determination of the procedure for establishing such a regional body. Would such a regional body constitute a third level of government sandwiched between the state governments and the federal government, or would the state governments have no authority in the areas which would come under the regional authority? Do we need a Great Plains Foundation or Institute and also an Authority? Which should come first, and how would they be integrated? These problems may seem entirely academic at this time because they are so far from reality, but I must agree with Dr. Kraenzel that unless and until the Great Plains problems are worked out and administered on a permanent and integrated basis, future efforts will prove as fruitless as former ones.[2]

What types of governmental institutions and government agency patterns would be most suitable for the Great Plains environment and needs? I shall limit my discussion to county government and school district organization. Here again, the pattern has been taken from the humid areas to the east without any significant adaptations to the semiarid conditions of the Plains. County boundaries were established when the means of transportation was the horse and buggy. The constitutions of the states in the Plains region follow an old established pattern of electing many independent officers to perform the various county administrative duties. This results in a highly decentralized and departmentalized plan of administration which is inefficient and expensive.

I would certainly hesitate to imply that county government is any less efficient in the Plains states than in other states of the Union, but

[2]Dr. Kraenzel advances a plan for "administrative regionalism" which would require no Constitutional revision, would be without boundary, and would provide for cooperation between regions and the federal government. See particularly *The Great Plains in Transition*, pp. 367-75.

the facts are that the relatively high and fixed overhead of this outmoded method of administration is burdensome in the Plains where income can swing abruptly from high to low. Reducing the number of counties to half or, better, to one-third of the present number and adopting the manager plan of administration would not only reduce the tax burdens on farmers and ranchers in the Plains area but would make their county governments more responsive and responsible to the needs of the area. In a region like the Great Plains with sparse population and high costs of rendering local governmental services, particularly those connected with schools and roads, administrative economies should certainly be encouraged. How to bring this about is a major problem which will tax our ingenuity.

The tremendous increase in school costs in recent years has placed a heavy burden on many farm and ranch operators in areas where the amount of taxable wealth per child is low. An excessive number of small local autonomous school districts results in great variations in tax burdens and tends to penalize unduly the parents who live in districts with low taxable valuation.

The county and state governments in the Plains have been quick to see the need for equalizing taxes for supporting schools and the amount of state funds for equalization purposes has been increased greatly in recent years. In Montana, for example, the state is now providing better than a third of the funds for grade and high schools with counties providing somewhat less and the remainder being provided by the school districts. The state cannot be expected to appropriate increasingly large amounts to pick up a larger and larger proportion of the school tax bill unless every means possible is used to eliminate existing weaknesses and inequalities.

In North Dakota the township is the local unit of government, and this pattern also was predicated on humid-area conditions and ideas. If area diversification were effectively and extensively developed, population would be concentrated, and sweeping changes could be made in school district organization and in township government so that costs per capita could be lowered considerably. In the meantime, before area diversification is achieved, emphasis might be placed upon migration of farm families to town for educational purposes, or a traveling teacher for traveling pupils, or use of television and radio in place of the schoolroom.

Few people would argue against a more diversified economy for the Plains region. A more diversified economy would make possible a more stable and productive economy and consequently, higher levels of living for Plains residents. The declining Plains population is evi-

dence that employment opportunities in the region are lower than the average for the country as a whole. Nonagricultural enterprises are needed to provide more adequate employment opportunities throughout the year.

What industry does exist in the Plains proper is predominantly the processing of a basic resource in its first stages. For example, in Montana, lumber and lumber products constitute a major part of the nonagricultural enterprises; in Wyoming, petroleum; in Nebraska, North Dakota, and South Dakota, "food and kindred products," which employ a half to three-fifths of all manufacturing employees.

Nonagricultural enterprise development requires not only interested and competent individuals, but also an aggressive attitude among community leaders. Many communities in the Plains are complacent and some are actually opposed to nonagricultural enterprise development. One of the major policy problems in the years ahead will be to determine the most promising types of nonagricutural enterprises in the Plains region and effective means of establishing such enterprises.

SUMMARY AND CONCLUSIONS

Many other major policy problems lie ahead for the Great Plains. I have purposely tried to concentrate on region-wide types of problems beginning with the need for some regional administrative unit or regional authority. Such an administrative unit would facilitate the achievement of needed adjustments, including major changes in county, township, and local government to improve efficiency and reduce costs; school district reorganization to provide more equal, and less expensive, educational opportunities; area diversification with irrigation development to provide adequate *flexibility, reserves,* and *mobility* to meet highly volatile conditions; and increased diversification, including the development of nonagricultural enterprises, to provide a more stable and productive economy.

It is assumed that the regional programs of the United States Department of Agriculture will continue, but it is hoped that they will be more effective than they have been in the past. It is also hoped that the coordination of the Department of Agriculture's programs with those of the Bureau of Reclamation, and of the Army Engineers —especially in flood control, power development, and reclamation— will be improved in the years ahead. However, inter-agency committee techniques are not likely to bring about the needed coordination. Some over-all administrative agency for the region with the necessary authority and funds to serve effectively as a coordinator and stimulator would do much in this direction.

The Great Plains Agricultural Council and other groups have been recommending for many years that a large acreage of land in the Plains should be retired to grass permanently. Obviously, the maintenance of acreage allotments on this type of land tends to defeat the purposes of the conservation program and to retard the needed adjustments of agricultural production in the Plains to market demands. Revival of the land buying program of the thirties plus expansion and revision of the conservation reserve, together with training and guidance for farmers who leave farming, has been recommended as an effective means of meeting the more important agricultural problems of the Great Plains.[3]

Perhaps the main shortcoming of present federal programs, such as the Great Plains Conservation Program and other agricultural adjustment programs now in operation, is that they do not insure that achievements will be maintained. Our current programs rely on the spending power of the federal government and voluntary participation of the operators. Undoubtedly, some form of public controls, such as local zoning or land use regulations, should be established to assure permanence of achievements. One suggestion has been to include in land use adjustment contracts, property easements on the grasslands with a high erosion hazard.[4] These easements could be turned over to the Great Plains administrative unit or authority, or to the local county for administration, together with the administration of zoning or land-use regulations.

Production allotments such as for wheat should be made on the basis of production or bushels rather than acreage, and provisions should be made for extra bushels raised during good years to be kept in reserve for bad years. Price supports might apply largely to land where wheat is the only possible crop and perhaps should be removed from humid lands where farmers can substitute other crops for wheat.

These and many other adaptations in our national agricultural policy, as well as the major policy problems discussed above, point up the fact that the Great Plains is a unique area in the nation and must be treated accordingly. Nothing creates so much inequality as treating unequals as equals. The Great Plains *are* different and should be treated differently from other areas. This will require an effective educational and research program as well as courageous and statesmanlike action at local, state, and national levels to establish the

[3]See Donald R. Murphy, "Semiarid Lands in Our Great Plains," in *Looking Ahead,* a monthly report by the National Planning Association, Vol. 7, No. 4, May 1959.

[4]Harry A. Steele, Erling D. Solberg, and Howard L. Hill, "Measures to Facilitate Land Use Adjustments in the Great Plains," Proceedings of the Great Plains Agricultural Council, Bozeman, Montana, July 29-31, 1958, p. 52.

institutional, economic, and technological adaptations which have been briefly set forth in this paper and which are so essential for effective operations in the Plains.