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THE UNIVERSITY'S ROLE IN PROGRAMS ON RURAL POVERTY

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The Report of the National Advisory Commission on Rural Poverty in 1967, *The People Left Behind,* contained distinctly different recommendations for coping with low incomes in rural America than were contained in the Report of the Country Life Commission in 1909. Both Commissions suggested numerous steps for improving the quality of rural life. Both were established because of concern over the discontent among people in rural areas and the mass migration to the towns and cities.

The Country Life Commission recommended increased emphasis upon education that would prepare people for more effective living in the rural areas, a system of extension education for rural communities, changes in financial institutions to provide longer term and lower cost farm mortgage credit, expansion of farm cooperatives, and a system of surveys to collect agricultural data. In contrast, the Rural Poverty Report placed emphasis upon equality of access to public services; more vigorous national action to achieve and maintain full employment; income maintenance programs; reorganization of government in sparsely settled areas; public investment in the development of the infrastructure in potential growth centers; and a massive program of human resource reclamation, including preschool programs, compensatory education, intensive occupational preparatory programs, on-the-job training, effective coordination of testing and counseling programs of the Employment Service and the Extension Service, and relocation assistance to help guide migration to and from the sparsely settled areas of the United States.

Why were there such sharp differences in the recommendations of two Commissions established by two Presidents to study essentially the same problems? The answers are to be found in differences in the state of the development of the economy in the two periods and differences in the degree of knowledge relative to the operation of the economy.

When the Country Life Commission Report was submitted the United States was largely a farm-based society. The well-being of farm people was closely correlated with conditions on farms. Almost one-third of the population lived on farms, and more than one-half

were rural residents. Farming was regarded as the good life; it was by far the largest form of employment in the nation, and the capacity for increased employment in farming seemed very great.

In this context, the Commission offered recommendations designed *to shift the supply curve for agricultural products sharply to the right.* The public subsidies recommended to reduce the cost of mortgage credit to farmers, to provide vocational agricultural education, to develop scientific information, and to provide technical assistance to farmers all were designed to decrease the cost of producing farm commodities, thereby shifting the supply function to the right. The recommendations with respect to cooperative marketing were offered in the hope of decreasing the cost of inputs purchased.

The recommendations of the Country Life Commission were very effective. From these recommendations emerged the Federal Land Bank System, the Cooperative Extension Service, vocational agricultural education, modifications in land-grant university curricula and programs, and other significant changes. This Commission should be credited with developing the institutional structures that transformed American agriculture into the vast productive machine that it is today.

Why, then, are we still concerned about rural poverty in 1968? Unquestionably, many people who might otherwise have remained in poverty escaped as a result of the programs emanating from the recommendations of the Country Life Commission. On the other hand, there can be little doubt that the recommendations of this Commission were oriented toward the establishment of a commercial agriculture and that the agencies created to administer the new programs were organized and operated in ways which encouraged working with those *who had the greatest capacity to increase production.* Resources were allocated to those uses where it was expected that the pay-off in terms of increased production would be greatest.

Between 1909 and 1968 the rural areas of the United States experienced unparalleled structural changes. There were sharp declines in manpower needs in the natural resource based industries—agriculture, forestry, fisheries, and mining—and a substantial reorganization of economic functions among communities. Many economic functions were transferred from the villages and small towns to the larger towns and cities. Many of the small communities were unable to keep pace with the changes in the economic and social fabric of the more prosperous ones. Accordingly, many rural communities formerly providing service functions for rural families experienced an eroding away of their economic base.

The structural changes that have taken place were stated succinctly in the Report of the National Advisory Commission on Rural Poverty as follows:

> Developments in transportation and communication systems along with the expanding network of roads and highways have confronted many villages with competition from larger towns and cities. The result has been an extension of the trade areas of the larger towns and cities into areas once served by villages. The same developments have made it possible for rural people to commute farther to jobs in towns and cities. . . . In varying degrees rural areas are now parts of larger economic communities with a dominant town or city at the center, the community encompassing several counties. The linking of rural to urban areas is continuing and indeed, the rural-urban distinction is becoming meaningless. . . . In short, country, town and city are one. They cannot be separated.

As the urbanization process transformed farming, it also transformed rural communities and altered their relationship to urban centers. In many respects mobility has been substituted for location.

The urbanization of rural America brought many changes that could not possibly have been foreseen in 1909. Perhaps the most significant of these is that urbanization is accompanied by lessening dependence upon tradition and growing reliance upon the discovery and use of knowledge. As knowledge is discovered it opens up new possibilities for society. To be used most effectively it must be related to other knowledge in a meaningful whole. In the traditional agrarian society organization was simple, and most economic activities were conducted in a direct and verbal manner. In the urbanized society emphasis is placed upon specialization of function, and many activities are conducted by specialists through highly structured organizations and agencies. In this society effective linkages among firms and among communities assume greater importance. Equilibrium for population and economic activity has been altered by changes in production, transportation, and communication technology. The structure of society has been changed in an effort to reap the benefits from these improvements in technology. It will continue to change as additional changes in technology occur.

The urbanization process in the United States has given us vast and rapidly expanding productive potential. Consequently, instead of promoting policies designed to shift the supply function for farm commodities to the right, for the past thirty-five years U.S. farm policy has been directed toward shifting the supply function for farm commodities to the left.

The urbanization of the United States has had other effects that

called for a change in policy directions. Urbanization gave rise to an increase in the demand for highly skilled manpower relative to low skilled manpower and increased the return from investment in human capital relative to investments in reproducible forms of nonhuman capital. As the life expectancy of man is extended and his productivity increases, his economic value also rises. This increase occurs both in the industrial sector and in the farm sector. But, because the demand for human resources is derived from the demand for the products that they produce, the low price elasticity of demand for farm commodities has kept the increase in the return for the human resources in farming relatively low. Consequently, urbanization has been accompanied by an increase in the premium on preparation for nonfarm employment. The rise in returns for manpower in nonfarm employment has increased the costs of impediments to entry into nonfarm occupations. As a result, the costs of racial and residential discrimination, differences in access to education and training programs, and other barriers which impede labor mobility have increased as the economic value of man has increased. This increase in the cost of these barriers and the more widespread recognition of this cost, resulting from improved communications throughout the nation, undoubtedly have been important factors underlying the recent resurgence of demands for equal access to economic opportunity. Those who have been denied access now know what they have been denied. They must be denied no longer.

It was in this context of a highly specialized, highly organized, rapidly urbanizing society, that the National Advisory Commission on Rural Poverty made recommendations to combat rural poverty. The Commission recognized that many rural towns now are merely hollow economic shells. They contain neither the economic base for developing viable social institutions nor for maintaining those that currently exist. The Commission recognized that, because they were presented with no alternatives, many rural youth were being trained to climb an agricultural ladder from which the rungs were removed long ago. In short, our institutions have fallen woefully short in adjusting to the rising economic value of man and to the changes in the economic structure associated with the vast urbanization of rural America.

The Commission quickly perceived that the economic value of man was rising largely because of our ability to develop the human resource and that, in order for individuals to participate in the rise, substantial investments in human capital are necessary. To a large extent education and training determine the degree of participation in the rise in the economic value of man. The institutions of higher

education, therefore, play an important role in determining the distribution of the benefits associated with urbanization and increased productivity.

Because of the central role that the institutions of higher education play in the urbanizing society, it behooves us to ask how the rise in the economic value of man affects the programs of these institutions. In a sense the institutions of higher education should be viewed as agencies issuing passports to opportunity. They constitute a channel through which upward economic and social mobility can be achieved. Unfortunately, because of the increasing costs of participating in their programs, and because of admission criteria often emphasizing previous education, the institutions have not provided widespread opportunity to the deprived. They, therefore, have not served as effectively as they might in providing upward social and economic mobility. This failure has generated increased demands to facilitate access to institutions of higher education.

The desire to facilitate access to the institutions of higher education is of long standing in the United States. It was in this context that the land-grant universities were established to provide educational opportunities for the sons and daughters of farmers and mechanics. As early as the 1860's it was recognized that education had value and that it served as an avenue to better opportunities. There was concern that access to better economic opportunities was being denied by limited access to higher education. It was believed that the land-grant colleges and universities would provide this access. Recently these same demands have culminated in widespread development of community colleges and regional universities.

Clearly, the recent enhancement in the economic value of man has provided greater incentives for development and conservation of the human resource. Some implications for the land-grant universities are apparent.

The returns from recruitment, effective counseling, and decreasing attrition in educational programs have been increased. Unless the costs have increased accordingly, more resources should be devoted to these activities.

In like manner, a greater share of the research resources of the universities should be devoted to the study of various forms of investment in human resources, to structural organizations of society that will facilitate access to health, educational services, and other forms of investment in the human agent, and to ways of removing barriers to the development and utilization of the human resource

potential. The rise in the economic value of the human resource has increased the income that must be foregone while enrolled in education programs. The universities, therefore, should bring their research resources to focus more sharply upon ways of decreasing the time required to achieve specified standards of education and should devise means of making educational materials available to people without a sacrifice of earnings. Teaching methods should be devised that are effective in reclaiming human resources, and programs of continuing education should be developed to decrease their rate of depreciation.

If the programs of the universities are to be consonant with the implications of the rise in the economic value of man, their content must be changed accordingly. More programs should be directed to the development and use of human resources. Criteria of performance must be evolved that encourage more efficient development of human resources. In extension programs, for example, relatively less emphasis must be placed upon achieving farm commodity production targets and more emphasis upon developing the potential of human resources.

The rise in the economic value of man in our society is not accidental. It is intentional. It was in the expectation, *and hope,* that this rise would continue that the National Advisory Commission on Rural Poverty placed so much emphasis upon the need for a massive program of reclamation and development of the human resources of the poor. The universities can play a leadership role in this development. University programs are not very flexible, and it will not be easy to reorient programs to give greater weight to human resource development. But it can be done. Indeed, it must, for the development and conservation of the human resource is the ultimate relevance of the university to society.