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NEW ENGLAND  
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PROCEEDINGS  
1968



UNIVERSITY OF NEW HAMPSHIRE  
DURHAM, NEW HAMPSHIRE

NEW ENGLAND  
AGRICULTURAL ECONOMICS  
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DURHAM, NEW HAMPSHIRE

JUNE 17, 18, 19, 1968

THE RURAL NEW ENGLAND ECONOMY IN TRANSITION  
A New Synthesis

William F. Henry  
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On the program I am called an observer. I took this to mean that I was being asked to "observe" the title of tonight's program, rather than the content of Robert Gidez's speech, so I hope he does not mind if I do not react to his excellent comments on rural New England. In the short time allotted to me I am choosing to make one observation and an accompanying recommendation in regard to the rural New England economy in transition. It is an observation directed not so much to the rural economy of New England in transition as such, as to the reaction of colleges of agriculture to that transition.

What Agricultural Economists Say

For several years now, leading agricultural economists have been pointing out to other members of their profession that agricultural economists--along with other agriculturalists--have not kept up with the changing times in the sense of shifting from their micro-economic concerns for commercial agriculture to the emerging and now larger concerns of the rural population for a number of things such as, human resource development, welfare and health, education, higher labor incomes, and so forth.

Charles Bishop in his Presidential Address to the American Agricultural Economics Association last year, said that the tendency of agricultural economists "to equate 'urban' with 'big city' has limited our understanding of the urban processes, restricted the scope of our programs in agricultural economics, and sharply reduced our usefulness to society."

At the 1965 annual meeting of our Association, James Bonnen discussed at length the current problems that the agricultural establishment faces. By the agricultural establishment he means the farmers and the leaders associated with them, the USDA, and the colleges of agriculture. He pointed out that the single minded goal of the agricultural establishment has been the commercialization of American agriculture. This common goal has now been substantially obtained. As a result of this success and of the impact of the economic and social forces generated by an industrializing society, the agricultural establishment has lost its single common goal and is somewhat ineffective in developing new goals because it has failed to adjust rapidly enough to the realities of its new environment. This represents a massive general failure of leadership. Bonnen concludes by saying, "If the agricultural establishment cannot develop the leadership that is capable of seeing the situation as it really is and adjusting to it, then it not only will fail to survive in any meaningful form, but will deserve its death, and the headstone erected by an urban society will read: The Agricultural Establishment of the United States: its promise exceeded its performance, and falling into social irrelevance it took its own useless life. R.I.P."



And finally, T. W. Schultz has said about the agricultural establishment, of which agricultural economists and the rest of the college of agriculture faculty are important members, that "farm people and their leaders are not in general conversant with the ideas, the philosophical basis, and the historical processes inherent in the urbanization and industrialization of which modern agriculture is an integral part. The scientific and technological knowledge underlying modern agriculture is well understood by farm people, but the changing social and economic framework is still largely in the realm of myth."

#### Materialistic Bias

It appears that those people concerned with rural society have had a strong bias in favor of biology, technology, and economy - and against people. This bias has been shared by the colleges of agriculture.

Public investment - the expenditure of public funds - in rural areas met with approval as long as it was spent to foster technology and agricultural development, and not to help people as such. In rural New England, in more recent years public expenditures have met with approval for such things as conservation and development of natural resources, establishment of special recreational facilities, flood control, and the like--but these are, after all, of the same nature as commercial agriculture. The concern for agricultural materialism has nearly passed in rural New England, but this has shifted to a preoccupation with other features of the natural environment, and the technology which makes these more productive.

#### Problems of Rural New England

In discussing the rural New England economy in transition some attention has to be paid to the fact that rural New England is not homogeneous. The rural sections of southern New England are quite different from those of northern New England, mostly because southern and northern New England are quite different.

The Governor of New Hampshire, John King, in a recent speech to the New England Council, pointed out, rightly I feel, that the three northern New England states "constitute a kind of vacuum, within a sea of movement between the Boston-New York complex and the fast growing province of Quebec," and he might have added, between New York on the west and the ocean on the east.

The transition in the southern areas of New England is then quite different from that in the northern areas. Movement of people is occurring into rural areas adjacent to cities and metropolitan zones, particularly in Southern New England. This has created needs for planning, zoning, construction of new community facilities such as school buildings, and so forth. It is easy to visualize that much of Connecticut, for instance, will be filled with people in the not too distant future. So rural areas there must examine land development alternatives. Two such major alternatives present themselves: one is sub-divisions spread out all over the countryside with community facilities spread out along with them; the other is corridor developments which leave some open spaces. Rural areas of southern New England probably now face the most important question in their transition: "Can long-range land development actually be planned?" The outcome depends on their willingness to apply massive inputs of research and education talent to solve problems of economic, social and political feasibility.

For Northern New England and other rural areas distant from population centers, the problems are the reverse. They face an outmigration, particularly of young people. Take as an example the huge White Mountains area of New Hampshire, made up of Grafton and Coos Counties. The population of this area is barely remaining constant and exhibits very heavy outmigration. Between 1940 and 1960 it gained only 2,000 people--a growth rate per year of less than two tenths percent. In the following five years it gained 100 people--a growth rate slightly more than zero. The New Hampshire state-wide growth rate in recent years has been almost 2.5 percent.

Outmigration is the major cause of this low population growth. During the quarter century from 1940 to 1965 outmigration amounted to 19,000 people, thirty percent of whom were 20 to 24. The situation is getting worse, not better.

Although the rural areas of Northern New England also face problems of land development planning, so that "in attracting business and recreational development the great gifts of nature are not forever destroyed;" <sup>1/</sup> they also have pressing problems in education, local government, income and welfare. These require the expenditure of public funds to an extent far in excess of past experience.

#### Need for a New Rural Approach

Perhaps what is needed most for the rural areas of New England is a new synthesis, similar in many respects to that which was developed through the various acts associated with agriculture. The colleges of agriculture in New England, and perhaps throughout the country, have turned their backs on the rural areas, and appear to be withdrawing into themselves. Their primary concern as a part of the agricultural establishment was the development of the agricultural industry. Now that this objective has been reached and now that agriculture, as was indicated by Bob Gidez, is an extremely small part of the total New England economy, the colleges of agriculture have recognized that the old goal is no longer relevant or necessary. In the face of this, the colleges have to a marked degree turned back toward the underlying scientific base that they developed over the years and which was so successful and was so much a part of their full research-education package. And, paranthetically, with which the biological and social scientists feel so much at home.

What appears to me to be needed is a new research-education package involving a "rural establishment" rather than the old "agricultural establishment," and in which some unit of the university will play an important part. If the colleges of agriculture propose to become biological research institutions and retreat deeply into the same biological research that has been their strength for so many years, then the universities must develop or create a new college, perhaps a College of Rural Society.

<sup>1/</sup> Governor J.W. King - N.E.C. speech.

Some, perhaps many, social scientists feel that it is, at this date, futile to have special rural programs conducted by public agencies and land-grant colleges. They point out that agriculture has come into the 20th Century and that modern communication systems reduce rural isolation. True as this is we still find low incomes, lack of opportunity, self-destructive political behavior, and outmigration in rural areas; we find that the natural resource base of rural areas is highly susceptible to deterioration in the face of the new demands put upon it by urban people; and we find that the new federal programs are largely directed toward city problems.

Functional concerns such as poverty and education should ideally be handled with no distinction between rich and poor, white and black, urban and rural. But this dream does not seem to work, as the Black Power people point out. I believe we should think in terms of a new instrument for rural areas development and we should determine now how it can be established in the new American environment. The old research-education processes of the colleges of agriculture (which I feel is the "promise" mentioned by Bonnen) should be combined with a new set of disciplines in the university, a new set of state and Federal sponsors, and a new set of clients in the economy.