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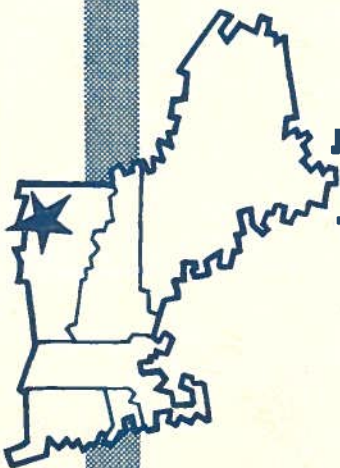
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1963 PROCEEDINGS

New England Agricultural Economics Council

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PROCEEDINGS

NEW ENGLAND AGRICULTURAL ECONOMICS COUNCIL
ANNUAL CONFERENCE

Burlington, Vermont
June 24, 25, and 26, 1963

"AGRICULTURAL ECONOMICS AND RURAL DEVELOPMENT"

THE ROLE OF STATE AGENCIES
IN THE RURAL REGIONAL DEVELOPMENT

Reinhold W. Thieme
Commissioner
Vermont Water Resources Department

In examining my assignment, I have interpreted it to be general in approach and not specific as to any presently practiced program. Therefore, let us try to examine the role of state government as it has served our way of life. Our early settlers formed separate colonies, or states, with broad responsibilities but perhaps few specific functions. These states joined together, for certain common purposes, such as, military protection, common currency, and suitable controls on interstate trade or commerce. As time passed, there was a constantly changing pattern of responsibility. The federal government assumed responsibility for financing the cost of inland navigation facilities, flood control projects, and interest charges on federal irrigation projects. Following World War II, repayment policies on financing of certain river basin development programs became more and more liberal. With reference to the water resources development field, federal expansion has taken place—or perhaps I should say continued—wherein grants are being made for municipal waste treatment facilities. Low flow augmentation is provided at no cost to local areas under certain circumstances. Storage for municipal and industrial purposes can now be provided without a firm commitment from local or state government. Recreation is now moving into this area under multiple-purpose projects on a nonreimbursing basis.

There has also been state activity in this field. For example, Maine, New Hampshire, and Vermont now have programs whereby grant funds are available to municipalities for the construction of needed pollution control facilities. State assistance for schools, roads, and other purposes is also available in varying degrees. Some states have taken active leadership in broad, large-scale water resource planning and development programs: for example, the Feather River project in California wherein billions will be spent to transport water from northern California to water-thirsty areas in southern California. Kansas, New York, Ohio, and others are developing competent staff to deal with many river basin matters of especial local interest. It is also interesting to note that under Public Law 566, the Watershed Protection and Flood Prevention Act, the Department of Agriculture functions through local sponsors such as special-purpose districts, municipalities, or even the State, under state law, and that the Administration has proposed legislation to grant funds to states for strengthening state water resource planning activities.

Perhaps this is an appropriate time to ask what the proper relationship or level of responsibility is between the state and federal government.

As I view this question, I feel that the State role in rural regional development should be an active or primary one. Admittedly, this is the viewpoint of one who has spent more than a decade associated with state government and much of this period as an agency head, but this opinion is based on our continuing concept that democratic government should reflect the desires of the people. This requires that it be at the level of government which is closest to the people. I feel this is the State, in most instances, because good rural regional planning must transcend local town or municipal boundaries.

However, I must be quick to concede that I do not feel that any single answer or plan exists because of the different political makeup of the states, the varying character of the local governmental units—towns, townships, counties, districts, authorities, etc.—and perhaps the varying philosophies of the different regions of our nation. For example, some states have strong county government and large land areas. Others, such as Vermont, have virtually no county government and relatively small land areas. Still others have dominant problems created by one segment of its society tending to superimpose its influence on others. California's highly urbanized areas in the South—San Diego and Los Angeles—have created water problems that will seriously affect rural areas as much as 300 miles to the North. Thus we can see that rural regional development cannot be considered on a strictly local basis, for towns or local units of government do not exist as islands, complete unto themselves, and cannot plan developments for their areas oblivious of the needs of other areas.

Likewise, I feel that rural regional development cannot proceed on the basis of a single set of criteria that are inflexible to the local needs. It is for these and other reasons that I feel that state agencies have a vital place.

Let us now consider specific areas in which state agencies have functioned. State agencies have long served as data-collecting or inventorying groups. They have data on population; on industries; on locations and sizes of lakes, ponds, and rivers; on water quality—both as water supplies that have been developed and those that are potential; many matters concerning health; and many other items. These data are basic to sound development of plans.

They have served as regulatory agencies in a very broad field, from regulating utilities to regulating our lives (setting the closing times of bars, etc.).

They have served as reviewing agencies, reviewing plans of diverse types to be sure they adequately provide for public welfare and safety.

They have served as construction agencies, building transportation arteries, water resource projects, and many others.

States have also been active in recreation and welfare activity. Perhaps these might be defined broadly as service functions in that they provide a needed service to the public.

State agencies are also most active in economic development, through the analysis of the problems and needs of the public. They also endeavor to bolster the State's economy by seeking prospective industry that can utilize native materials or skills, and in so doing they obviously aid the local areas in which these industries settle.

What, then, is a proper role for the state agencies to take in rural regional planning? I believe that it must be one of inspired leadership, i.e., it must provide the incentive necessary to cause local governments to desire sound planning for future development. Once this interest is aroused, state agencies must respond by providing assistance that is needed and that is not usually available among the local citizenry.

State government must provide proper inducements to encourage local desire for, and participation in, rural regional planning. Even more fundamentally, state government must provide an adequate background of enabling legislation to make it possible for local governments to approach planning, and, for that matter, the implementation of cooperative projects with a singleness of purpose. Such legislation should make it possible for local units of government to join together for the future accomplishment of projects planned, but must also give due allowance to adequate control to avoid abusive developments.

Other forms of inducement that have been effectively used in similar activities are: low-interest or no-interest loans of planning funds, loans of manpower, and grants-in-aid to defray costs and to provide reasonable control by the State. I am sure you could name other effective means for encouraging desired actions.

In summary, state agencies are repositories of basic data and information needed in rural regional planning. They can readily help define geographic, resource, and economic areas. Their personnel include an amazing assortment of skills and knowledge that can help analyze the problems and needs encountered in regional land and resource planning. Finally, they can assist in the establishment of sound criteria that can form the basis for broad programs involved in planning for orderly development.