



The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.

FEDERAL-STATE RESEARCH PROGRAMS IN RURAL ECONOMIC DEVELOPMENT -- NEEDS AND PROSPECTS

Alan R. Bird*

A joint task force of researchers from state agricultural experiment stations and the U.S. Department of Agriculture has completed a report entitled "Rural Development and the Quality of Living." This report is an attempt to express the collective judgment of individual scientists and research administrators in regard to the research questions that need to be answered, some evaluation of present efforts, the adequacy of present facilities, and to suggest changes in research to meet present and future needs. The Task Force looked at these twin goals of research: (1) Raise the level of living of rural people, and (2) improve community services and the environment.

THE ECONOMIC SITUATION OF RURAL PEOPLE

The situation which led to formulation of these goals was described as follows:

"Rural people are relatively disadvantaged. They are inadequately prepared to fully participate in modern society - consequently, their quality of living never reaches the level that might be achieved. Factors contributing to the low level of achievement are inadequacies in: educational preparation, occupational choices, business ability, employable skills, effective use of their personal and financial resources, and the effectiveness with which they adjust to social and economic change."

Rural development research, as seen by the Task Force, focuses directly on the promotion of rural well-being. Contributing to this goal are the inter-related factors of adequate income and job opportunities, social and cultural amenities, and the wise use of family and community resources. This research includes the following six problem areas: (1) improvement of economic opportunities for rural people, (2) causes of, and remedies for, poverty among rural

people, (3) improvement of rural community institutions and people, (4) housing needs of rural families, (5) the communication process in rural life, and (6) individual and family adjustment to change.

Problems of commercial farming are not, in themselves, a major concern of this research area, although interrelationships with rural development are important.

With respect to the important dimensions of these problems, the Task Force points to these: (1) the need for a new look at this area, challenging the traditional rural-urban dichotomy, (2) the dominant need for people-oriented research, (3) the need to know much more about the mobility of people, especially rural-urban migration, (4) the uneven growth of the United States by regions and the need to know more about such regional disparities, and (5) what it takes to have a viable community and what communities would be attractive living alternatives to present metropolitan areas.

The Task Force, also, points to a somewhat eclectic set of research findings to date. Some of these findings are: (1) Rural America has a highly diversified occupational structure. (2) Where possible, most rural people orient their social and economic life to towns and cities, often commuting to work and traveling some distance to shopping and health centers. In many areas, their children go by bus to consolidated schools. (3) In some regions, rural people are in deep poverty; the community tax base is shrinking, and so are social services. (4) Employment opportunities tend to be concentrated in the larger population centers, thus, serving as a magnet to would-be rural employees who are poorly prepared for competition in the non-farm labor market. (5) Policies and programs serving commercial agriculture have failed to meet the needs

* Alan R. Bird is deputy director, Economic Development Division, Economic Research Service, U.S. Department of Agriculture, Washington, D.C.

of an overwhelming proportion of the rural population. (6) Considerable promise for promoting viable communities and economic growth appears to lie in the smaller towns and cities, in multi-county districts, and in new towns in rural areas.

Improvement of Economic Opportunities for Rural People

Rural people need more income. They, also, need more jobs and business opportunities, more training and education, improvements in other community services and facilities and better access to modern amenities so that they can attain higher money incomes and so that they attain increased congruence of money incomes with real incomes. This need is apparently general and considerable, as evidenced by recent income differences. In 1964 (the latest year data are available in this form), median family income was: farm, \$3,414; nonmetropolitan nonfarm, \$5,542; metropolitan central cities, \$6,697; and metropolitan outside central cities, \$7,772.

In studying this problem, the Task Force identified the following research objective:

To analyze the basic need of rural people, for improved social and economic opportunity and the underlying factors involved in promoting rural development. This would include study of demographic data, regional and area economic growth patterns and a wide range of community institutions to serve rural people.

Ten research approaches are suggested, any one of which could involve a life's work for a great many competent professionals. The first six of these are: (1) Study of population trends and characteristics, migration and mobility patterns, age composition, residence distribution, and other relevant demographic data; (2) Determination of the structure and processes of economic activity by regions and small areas, with emphasis on spatial aspects, interdependencies, and linkages with the larger economy; employment and income determinants, including assessment of current employment and income potentials or rural areas of various types; (3) Identification and classification of manpower and human resource potentials in differing rural areas, including quantity and quality of the labor force, measurement of education and training required for successful labor force participation, and development of information concerning present inadequacies in area or regional training facilities, with emphasis on poverty areas; (4) Analysis of the requisite basic economic, manpower, and service institutions, including governmental organizations, to provide effective rural development entities, such as community development districts and multi-county areas. This would include assessment of the "critical mass" and

cluster aspects of various complexes or regions; (5) Investigation of the real and social costs for rural development of continued urban implosion as compared with alternative area and regional growth outside of metropolitan areas; and (6) Determination of the impacts on regional and area income opportunities resulting from national policies such as minimum wages, various tax incentives, monetary and fiscal policy, governmental purchase of goods and services, subsidies of different kinds, and the location of governmental plants and facilities.

Causes of, and Remedies for Poverty Among Rural People

The Task Force defined its second objective as follows:

To locate and define rural poverty areas, describe the rural families and individuals who live in poverty, and determine the causes and feasible solutions of rural poverty as a national problem.

Suggested research approaches are: (1) Development of meaningful, basic measurement standards for the definition of poverty in various family, regional, and residence situations, including a "goods and services" approach as well as "cost of living"; and subsequent determination of the relative extent, magnitude, and socio-economic attributes of rural poverty, farm and nonfarm; (2) Projection of numbers of rural people in poverty, emphasizing the measurement of problem persistence and its probable future impact, including measurable economic and social costs as well as qualitative aspects; and (3) Determination of the socio-economic, personal, family, and community variables, including public welfare systems and technological change that explain personal and area poverty; explanations of the process of escape from poverty; and delineation of relevant target groups for policy and program application.

Improvement of Rural Community Institutions and Services

The objective of this research is: To study and evaluate local community institutions and services, both public and private, in the context of the role, size, functions, and performance that would make the maximum contribution to viable rural communities.

To meet this objective, the Task Force lists eight approaches. The first three are: (1) Establish an index of measurement that reflects the range and level of local public and private services and social overhead investments in rural America, and relate this index to a range of potential development characteristics and dispersions of population; (2) Determine the scale of

community institutional structures required for an efficient and effective range of services and facilities, and conversely, the critical inputs of governmental services for various levels and rates of development; and (3) Establish a functional classification of "rural communities" and study their institutional structures in the context of community growth and decline.

HOUSING NEEDS OF RURAL FAMILIES

The Task Force properly points to the critical need to evaluate housing conditions and opportunities in a total environmental setting. The stated research objective is: To expand this field of research to include the role of housing in providing a more favorable community environment, and to evaluate innovative construction methods and residential patterns in and for rural areas. Six approaches are listed. The first three are: (1) Determination of developing residential patterns in relation to the total context of effective and pleasant communities, including the current status of rural housing, farm and nonfarm; (2) Analysis of the economies and qualitative benefits in various rural housing patterns, including innovative satellite village housing, "new towns", clustered age-integrated houses or apartments, together with landscaping and park areas; and (3) Evaluation of potentials for special types of rural housing, such as retirement villages, commuting workers' housing, transient workers' complexes, relocation of dispersed housing, low-income housing and multiple units.

THE COMMUNICATION PROCESS IN RURAL LIFE

Physical and cultural barriers pose special challenges to those who seek to assure rural people adequate access to community services and facilities and to economic and social opportunities. Accordingly, the Task Force notes the following research objective: To determine the most effective means of formal and informal communication for reaching a diversified rural audience with a wide-range of increasingly technical and scientific information. This is especially crucial in dealing with low-income, by-passed and minority ethnic groups.

Eight research approaches are proposed to meet this objective. The first three are: (1) Inventory of kinds of specialized audiences that seek, or can benefit from scientific information and determine present information source use of these audiences, together with reasons for using these sources; (2) Identify and measure individual and audience predispositional variables (e.g., knowledge, attitudes and values, part behavior, and the situational context) that are determinants of, and predictive of, awareness, attention, exposure, comprehension, and behavior related to messages or events; and (3) Determine the image,

including credibility, of agricultural agencies and land grant colleges and their scientists, specialists, and employees as perceived by various real and potential communication audiences.

Individual and Family Adjustment to Change

This is the last problem area listed by the Task Force. Their report envisages the following objective for this research: To explore the social and psychological factors at play among families and individuals in their attempts to adjust to rapid societal change, with special emphasis on the least advantaged groups in the rural economy. Examples of suggested research approaches are: (1) Determination of the social and psychological factors involved in successful adjustment of individuals and families in a time of rapid social change. (2) Analysis of families in the migrant stream - - where the stream starts and where it ends, what problems are involved, and what can be done to help solve them.

That, in brief, is the content of the Task Force report, except for three overall concerns that surface repeatedly throughout the report. (1) The Task Force bemoans the critical shortage of trained personnel. (2) They stress the extent to which problem areas merge and are interrelated. (3) They espouse the need for interdisciplinary and team approaches to research.

SUGGESTED AREAS OF RESEARCH

The scope of the research needs outlined by the Task Force is truly breathtaking. And that's not all. The more we seek clarification and further guidance, the more we risk adding to this scope of work. What is rural? What is rural economic development? Even if we agree on the need for an expansive definition of "rural" that includes all nonmetropolitan areas, we may still face the need to analyze development processes of urban areas before meaningful statements can be made about rural areas. We may agree that economic development involves increasing the real incomes of all families and individuals to acceptable levels by socially acceptable means. Here again, it is difficult to conceive of activities that do not have a development aspect.

Priorities in Research

To do everything is to do nothing. With that in mind, I lean toward the mathematician's approach toward program development, as represented in this question. What is the least we can do to insure that research in rural economic development is increasingly fruitful? This question should be followed by another. Who are the decision-makers who most need data; what data do they need and in what context?

The most relevant decision-makers are the leaders of both public agencies and private corporations at national, regional, state and local levels and private citizens. The data needs are, of course, potentially infinite. However, we would be a giant step forward if we all had access to two kinds of data: (1) Simple, objective, current and projected data on all communities of the United States, mainly people-oriented data on actual numbers, economic status, migration patterns and the reasons for them, and the status of community facilities and services. (2) Capsule evaluations of community, district and regional development projects and programs, using consistent, comparable and uncluttered methodologies to document both successes and failures.

Simple, Objective, Current Data

The widespread adoption of the computer gives most Federal, State, and local agencies, and many private agencies, potential access to systematically assembled, relevant data. Yet the prime need of major agencies and corporations is for current and even projected data so that they may decide on geographic priorities for allocation of funds and personnel according to community needs and potential. I have been forced to use 1964 income figures in this discussion, because figures for suitable residence categories are not yet available for later years. In the face of this need, objectively gathered current data on the human resource are very sparse and relevant supporting analyses, for example, on reasons for migration, are almost nonexistent. Current data on the human resource are urgently needed on a community basis, say, county or county-equivalent. Migration data are apparently needed for, say, some 300 to 600 districts or multi-county areas that exhaust the total area of the United States. This last claim rests on the assumption that adequate development of rural and related urban areas throughout the United States will depend, among other things, on a sufficient deployment of relatively high-income, highly-skilled and experienced members of the labor force.

Much has been said of the continued outmigration of relatively skilled and younger members of the labor force from rural areas. Less has been said of the probably greater rate of outmigration of highly-skilled, high income members of the labor force from relatively prosperous areas. The unique feature of depressed areas is not the outmigration of skilled people but, as Calvin Beale and others have pointed out, rather the trivial or insufficient extent of immigration of other skilled, experienced, high-income people. Indeed, we might reasonably expect that the adequate development of still more areas of the United States will be accompanied by still higher rates of in and outmigration with respect to most areas as business, technology and the labor force

interact with regional climatic differences, changes in the age, sex, ethnic and family composition and other features of the expanding population. And the rich, I assume, will choose better communities.

Much remains to be done through relatively simple analyses of available data. For example, it is still a source of surprise that, using \$3,000 family income as the common poverty line, some 46 percent of poor families in 1960 were nonmetropolitan residents. And the fact that 85 percent of the poor farm families were white is even more at variance with the impressions of many laymen [2].

In a paper entitled "Demographic Dimensions of U. S. Rural Economic Policy," presented at the December 1968 meetings of the American Association of Agricultural Economists in Chicago, Calvin Beale provides further arresting illustrations of the widely divergent demographic conditions in the rural population associated with different geographic regions and ethnocultural groups.

It is likely that Federal agencies must continue to assume major responsibilities for developing adequate data on population and related characteristics. Yet, there is substantial opportunity for researchers in cooperating state experiment stations to provide needed unique inputs in the interpretation of these data and in working of streamline techniques for their timely collection.

The elementary nature of our knowledge of development processes makes us all vulnerable to the continuing rediscovery of the wheel. In seeking guidance on the development potential of particular areas and districts, generalizations (even in this one) may be our undoing. Reliance on fragments of alleged theory can only be condoned after searching inquiry and testing.

Impact Studies

In such a climate, it is particularly appropriate to draw on the strengths of cooperative work among experiment stations and with the U.S. Department of Agriculture. Particularly for analyses of states and component multi-county districts, I see scope for cooperative team approaches by social scientists to provide systematic observations on the extent and nature of the impact of particular projects and programs on particular districts and types of districts. Case studies such as a recent one by Messrs. Hagerman and Braschler concerning industrialization of Ava, a small Missouri town, seem quite helpful [3]. Examples of impact studies conducted by the Economic Research Service include Max Jordan's evaluation of the impact of a textile plant on the small town of Gassville, Ark., and Wendell Holmes' evaluation of the

impact of a military installation, Fort Leonard Wood, on the local economy in Missouri [4,5].

More impact studies would provide a helpful basis for orienting those who seek to upgrade rural areas. The impact of particular projects and public activities (taxing activities, organization and support of roads and education, and many more) need to be assessed quite broadly, taking into account, for example, effects on income, employment, occupational structure, age composition of the population and environmental pollution.

Adequate reporting of such studies could provide specific guidance for similar communities and districts, in much the same way as an adequate description and analysis of successful farming operations may provide beginning guidance for others operating similar types of farms.

Sufficient experience with such impact studies could provide a basis for needed projective studies --

for example, simulation of conditions strategic to the establishment of new communities that provide living and working conditions superior to those found in earlier rural or urban areas.

CONCLUSIONS

The apparent research needs in support of rural economic development are both infinite and urgent, and the resources to meet these needs are relatively scarce. These conditions highlight the need for selective use of relatively simple and standardized analytical approaches so that joint Federal-State efforts can rapidly provide a critical minimum of objective data for the use of public and private decision-makers at state and local, regional, and Federal levels. In providing such data, researchers will be better prepared to devise more sophisticated analyses to afford a clearer understanding of development processes, problems and opportunities.

REFERENCES

1. Advisory Commission on Intergovernmental Relations, *Urban and Rural America: Policies for Future Growth*, Report A-32, Washington, D.C., 1967.
2. Bird, Alan R. and John L. McCoy, *White Americans in Rural Poverty*, Agr. Econ. Rpt. No. 124, ERS, USDA, Washington, D.C., Nov. 1967.
3. Hagerman, L. Dale and Curtis H. Braschler, Part I, *Analysis of the Impact of Industrialization on a Small Town Economy: A Case Study of Ava, Missouri*, and Part II, *The Impact of Industrialization of a Small Town on Local Government: A Case Study on Ava, Missouri*, Agr. Expt. Sta. Res. Bul. 910, University of Missouri, Columbia, Mo., July 1966.
4. Holmes, O. Wendell, *The Impact of Public Spending in a Low-Income Rural Area: A Case Study of Fort Leonard Wood, Mo.*, Agr. Econ. Rpt. No. 132, ERS, USDA, Washington, D.C., June 1968.
5. Jordan, Max F., *Rural Industrialization in the Ozarks: Case Study of a New Shirt Plant at Gassville, Ark.*, Agr. Econ. Rpt. No. 123, ERS, USDA, Washington, D.C., Nov. 1967.
6. National Advisory Commission on Rural Poverty, *Rural Poverty in the United States*, Washington, D.C., May 1968.
7. _____, *The People Left Behind*, Washington, D.C., Sept. 1967.
8. *People and Income in Rural America: What Are The Choices?*, a series of leaflets published by the Agricultural Policy Institute (particularly nos. 7 through 10), North Carolina State University, Raleigh, N.C., 1968.
9. U.S. Department of Commerce, *Economic Development Administration, Second Annual Report, Fiscal Year 1967*, Washington, D.C., 1967.

