

REMARKS OF SENATOR HUBERT H. HUMPHREY

10TH ANNUAL NORTHWEST IOWA COMMUNITY CONFERENCE

Washington, D.C.

November 11, 1975

Recently, people have become aware of revived economic growth of our rural areas.

However, we need to know more as to why this has happened, and whether the trend is likely to continue.

Will this growth bring greater opportunity and a better life for our rural citizens? Are we likely to have a balanced rural development, or will many areas of our country remain depressed and without hope for the future?

I am reminded of F.D.R.'s saying:

"The test of our progress is not whether we add to the abundance of those who have much; it is whether we provide enough for those who have too little."

It also has been said that you can judge a man by how he treats those who can do nothing for him.

I have always maintained that you can judge a society by how it treats its resources and people -- particularly those most vulnerable, the very young and the elderly.

I am certainly hopeful that these sessions will lead to some new ideas and approaches on rural development. We particularly need to give some serious thought to the Rural Development Act of 1972, and any improvements which are needed in it.

When the act was adopted, many of us hoped that it would be a strong and effective vehicle for rural development. To date, it has not been allowed to meet its potential.

One of the major problems in any rural development program is the need for coordination. In many of our foreign assistance programs, we encourage rural economic development and, in particular, activities to improve the production of the small farmer.

However, as in the case of the United States, coordination involving many bureaucracies is a most difficult problem.

But this should not serve as an excuse for delay or inaction. Just as the pearls on a necklace have to be connected and strung, so too do the elements of a rural economic development program need to be tied together and coordinated.

I would hope that these sessions also would look at the future of the small towns and communities. What activities should be encouraged in towns of a particular size? What strategy is needed for the future?

We certainly should not write off the small towns of America as was happening a few short years ago.

Programs concerned with economic development outside the urban areas, until very recently, were accorded only secondary importance.

The steady migration of people to the large urban centers -- 35 million from 1940 to 1970 -- was accepted as a continuing fact of life.

And today, we seem unable, at times, to deal with either urban or rural problems.

We have known for some time that there are regional pockets of poverty and economic decline in this country. One early legislative vehicle devised to deal with this problem was the Public Works and Economic Development Act of 1965.

During the past three years, however, this program has been under constant threat of extinction. Annual outlays by the Federal government for regional economic development programs have never exceeded more than half a billion dollars a year.

This stands in sharp contrast to our neighbor, Canada, which spends as much as we do in regional development, even though that nation has only a tenth of our population.

Right now, E.D.A. clings tenaciously to life, a somewhat neglected and ignored agency within the Department of Commerce. In the Department of Labor, they are trying unsuccessfully to abandon the few manpower and training programs specifically designed for those "people left behind," described by the President's National Advisory Commission on Rural Poverty in 1967.

And Congress has had to prod and push the Department of Agriculture to implement the rural development programs for which it is responsible.

At present we have a national unemployment level of over 8 percent. And if you include those people who have given up looking for work and the part-time employees, you are looking at an 11 or 12 percentage level.

We do not have very good statistics on unemployed people in rural areas. This results from both a lack of coverage, and faulty definitions of unemployment.

With high unemployment levels expected to continue, some try to argue that public works programs will not help because of the long lead time needed to begin a project.

It's a very "in" thing these days to say that the WPA, PWA and CCC Programs of the depression were boondoggles -- failures.

But those programs put people to work, and the fruits of their labors continue to dot the landscape of America with public buildings, schools and roads, parks and recreation areas.

Today we need to develop a shelf list of public service jobs whereby we can begin to put our people back to work. There still are roads to be built and improved, railroad beds to be rebuilt, shelterbelts to be replanted, canals and rivers to be dredged and forests to be replanted.

These projects will take our people off of unemployment and food stamps and make them proud taxpayers.

Plentiful employment opportunities are an essential part of a sound rural development strategy.

The tidal wave of rural people migrating to the cities -- mostly family farmers forced off the land since World War II -- caused problems for our cities and helped create social disruption.

But now it appears that the tide is going back out. Between 1970 and 1973, the non-metropolitan population grew by 4.3 percent, while metropolitan areas increased by only 2.8 percent.

The young men and women who were forced to leave their rural homes because of the lack of job opportunities are now coming back. So are the retired people, who have learned that their fixed incomes will stretch much farther in the rural setting.

And many families have decided that they like the healthy rural environment in which to raise their families.

In Minnesota, the metropolitan areas lost 80,000 people in the last few years, while the rural areas gained 92,000 people. This is a major turnabout, considering that 86 percent of the State's population growth from 1950 to 1970 was in the urban areas.

While there is evidence that the manufacturing sector of the economy is now moving into rural America, this has been a mixed blessing.

Today, we see that unemployment is as bad or worse in rural areas than in the urban areas because of the growing importance of industry in the rural areas.

During the period between 1965 and 1972, personal income in the United States increased at an annual average rate of more than eight percent -- or over \$1,700 -- in both metropolitan and non-metropolitan areas.

However, the differential between metropolitan and non-metropolitan income increased in favor of metropolitan counties. The amount of increase was greater in metropolitan counties -- \$1,807, compared to \$1,474 in non-metropolitan counties.

And, while only 10 percent of the people of metropolitan America met the poverty standard, 14 percent of those in rural America were living below the poverty level.

The inescapable fact remains that much of rural America still remains outside the mainstream of American life.

Many farm families receive a considerable portion of their income from non-farm sources. Yet farmers are not counted as unemployed because they continue to work on their own farms as they look for non-farm jobs.

Congress provided a mechanism to improve incomes and create jobs when it enacted the Rural Development Act of 1972. And I am proud at having helped develop this important legislation.

In the proper hands, the Rural Development Act could have been used this year as a rural anti-recession act. Instead, the response of the Administration has been to go slow when decisive action was required.

A major shortcoming of the 1972 Rural Development Act was the failure to establish a separate rural credit institution. Such a financial institution is essential to spur the economic revival of rural America. Often, rural communities are prevented from taking steps to spur economic development because they lack sufficient capital to attract investors.

The 1971 Presidential Task Force on Rural Development recognized this need and recommended "a new credit institution to provide rural areas with greater access to private capital."

I have introduced legislation designed to carry through this recommendation, and I am hopeful that action will be taken on it.

The Rural Development Act includes a number of important programs to improve the quality of life and stimulate growth and development in the non-metropolitan areas.

I am thinking particularly of programs to encourage industrial development, research and education, and the construction of community facilities. And, we have provided programs to improve rural housing since there are over 1.4 million substandard rural housing units.

Education levels are directly connected with the low income levels and the occupational structure of the work force.

When the 1970 census was taken, the median years of school completed by all persons aged 25 and over was 12.1 years, but for residents of predominately rural counties, it was 10.5 years.

While the rural population accounts for about a third of the nation's total population, it is scattered over about 98 percent of our land, but at a density of only about 19 persons per square mile.

This creates the double-barreled problem of finding work and of receiving various kinds of government services.

Take health care, for instance.

As of December 1972, the ratio of active physicians per 100,000 people was more than twice as high in urban as in rural areas. Rural residents also have considerably less access to specialist care and to doctors with a hospital-based practice.

What this means is that 86 percent of the doctors serve 74 percent of the population, and rural Americans take what is left.

While I have emphasized programs to stimulate development and diversify the rural economy, I would like to make crystal clear that to have a strong rural America we need to have a viable farm economy.

Everyone knows of the prosperity which our rural communities experienced in 1973 when net farm income zoomed to over \$29 billion.

But the figure dropped to just over \$27 billion last year, and it is likely to drop again in 1975.

And our farmers have been beset by rising production costs and above all by a hit and run, stop and go agricultural policy.

We have asked our farmers to go all out in production and yet this Administration refuses to share in the risk in order to assure the farmers a fair return.

Our consumers receive the world's greatest variety of food and at only around 17 percent of their take home income. Our farm exports this year are expected to total around \$22 billion. And our food aid to needy nations since 1954 has totalled \$27 billion.

No country can begin to touch this record. And yet our farmers often feel as if they are being treated as second class citizens. We need to keep this system in operation, both to feed our people and many others throughout the world.

To do this and also support rural industrialization we need to pay more attention to our rural transportation system. This includes not just roads but also our railroads and waterways.

A rural transportation policy is a must.

I can take you to places in rural Minnesota where it takes a full day to go 50 miles because the rail bed is so bad. You can barely find the ties! It's understandable that there are frequent derailments.

Since 1960, track abandonments have averaged about 1,000 miles annually. Yet the railroads insist that they are losing \$130 million a year on branch lines alone.

Around Redwood Falls they claim the trains don't run on that line until the quack grass is strong enough in spring to hold the ties together.

But we seem unable to develop a concerted program which recognizes the central importance of the transportation system in rural development.

There are a variety of other areas which we could develop as being central to a balanced rural economic development program.

I believe that improved communications, for example, can play a major role in not only improving the quality of life, but also helping attract new industrial opportunities.

But as a first priority we need to develop better mechanisms for establishing rural development priorities. This means looking at the resources available and allocating them according to a plan.

I know that this Administration cries out against planning ahead. But it is done -- and very successfully -- in the Defense Department where they have a whole host of long range plans.

Now I see no reason why planning, evaluation and coordination between agencies and departments shouldn't be followed in rural development. It's called good management.

But good management requires sound leadership. And you have to give these programs priority attention.

I share the view of the immortal Dante who stated:

"Better the occasional faults of a government living in the spirit of charity than the consistent omissions of a government frozen in the ice of its own indifference."

We cannot do all that we would like to accomplish. But, we can do a great deal more than offer excuses and curse the darkness.

This is an important task which calls for the best talents and dedication of all of us. I pledge my best in this effort.

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Berkley Bedell - 6th D. ST
Agric & Sm Business

RECENTLY, PEOPLE HAVE BECOME AWARE OF REVIVED ECONOMIC
GROWTH OF OUR RURAL AREAS.

HOWEVER, WE NEED TO KNOW MORE AS TO WHY THIS HAS HAPPENED,
AND WHETHER THE TREND IS LIKELY TO CONTINUE.

WILL THIS GROWTH BRING GREATER OPPORTUNITY AND A BETTER
LIFE FOR OUR RURAL CITIZENS? ARE WE LIKELY TO HAVE A BALANCED
RURAL DEVELOPMENT, OR WILL MANY AREAS OF OUR COUNTRY REMAIN
DEPRESSED AND WITHOUT HOPE FOR THE FUTURE?

I AM REMINDED OF F.D.R.'S SAYING:

"THE TEST OF OUR PROGRESS IS NOT WHETHER WE ADD TO
THE ABUNDANCE OF THOSE WHO HAVE MUCH; IT IS WHETHER
WE PROVIDE ENOUGH FOR THOSE WHO HAVE TOO LITTLE."

IT ALSO HAS BEEN SAID THAT YOU CAN JUDGE A MAN BY HOW
HE TREATS THOSE WHO CAN DO NOTHING FOR HIM.

I HAVE ALWAYS MAINTAINED THAT YOU CAN JUDGE A SOCIETY BY HOW IT TREATS ITS RESOURCES AND PEOPLE -- PARTICULARLY THOSE MOST VULNERABLE, THE VERY YOUNG AND THE ELDERLY.

I AM CERTAINLY HOPEFUL THAT THESE SESSIONS WILL LEAD TO SOME NEW IDEAS AND APPROACHES ON RURAL DEVELOPMENT. WE PARTICULARLY NEED TO GIVE SOME SERIOUS THOUGHT TO THE RURAL DEVELOPMENT ACT OF 1972, AND ANY IMPROVEMENTS WHICH ARE NEEDED IN IT.

WHEN THE ACT WAS ADOPTED, MANY OF US HOPED THAT IT WOULD BE A STRONG AND EFFECTIVE VEHICLE FOR RURAL DEVELOPMENT. TO DATE, IT HAS NOT BEEN ALLOWED TO MEET ITS POTENTIAL.

ONE OF THE MAJOR PROBLEMS IN ANY RURAL DEVELOPMENT PROGRAM IS THE NEED FOR COORDINATION. IN MANY OF OUR FOREIGN ASSISTANCE PROGRAMS, WE ENCOURAGE RURAL ECONOMIC DEVELOPMENT AND, IN PARTICULAR, ACTIVITIES TO IMPROVE THE PRODUCTION OF THE SMALL FARMER.

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HOWEVER, AS IN THE CASE OF THE UNITED STATES, COORDINATION INVOLVING MANY BUREAUCRACIES IS A MOST DIFFICULT PROBLEM.

BUT THIS SHOULD NOT SERVE AS AN EXCUSE FOR DELAY OR INACTION. JUST AS THE PEARLS ON A NECKLACE HAVE TO BE CONNECTED AND STRUNG, SO TOO DO THE ELEMENTS OF A RURAL ECONOMIC DEVELOPMENT PROGRAM NEED TO BE TIED TOGETHER AND COORDINATED.

I WOULD HOPE THAT THESE SESSIONS ALSO WOULD LOOK AT THE FUTURE OF THE SMALL TOWNS AND COMMUNITIES. WHAT ACTIVITIES SHOULD BE ENCOURAGED IN TOWNS OF A PARTICULAR SIZE? WHAT STRATEGY IS NEEDED FOR THE FUTURE?

WE CERTAINLY SHOULD NOT WRITE OFF THE SMALL TOWNS OF AMERICA AS WAS HAPPENING A FEW SHORT YEARS AGO.

PROGRAMS CONCERNED WITH ECONOMIC DEVELOPMENT OUTSIDE THE URBAN AREAS, UNTIL VERY RECENTLY, WERE ACCORDED ONLY SECONDARY IMPORTANCE.

THE STEADY MIGRATION OF PEOPLE TO THE LARGE URBAN CENTERS --
35 MILLION FROM 1940 TO 1970 -- WAS ACCEPTED AS A CONTINUING
FACT OF LIFE.

AND TODAY, WE SEEM UNABLE, AT TIMES, TO DEAL WITH EITHER
URBAN OR RURAL PROBLEMS.

WE HAVE KNOWN FOR SOME TIME THAT THERE ARE REGIONAL POCKETS
OF POVERTY AND ECONOMIC DECLINE IN THIS COUNTRY. ONE EARLY
LEGISLATIVE VEHICLE DEvised TO DEAL WITH THIS PROBLEM WAS
THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965.

DURING THE PAST THREE YEARS, HOWEVER, THIS PROGRAM HAS
BEEN UNDER CONSTANT THREAT OF EXTINCTION. ANNUAL OUTLAYS
BY THE FEDERAL GOVERNMENT FOR REGIONAL ECONOMIC DEVELOPMENT
PROGRAMS HAVE NEVER EXCEEDED MORE THAN HALF A BILLION DOLLARS
A YEAR.

THIS STANDS IN SHARP CONTRAST TO OUR NEIGHBOR, CANADA, WHICH SPENDS AS MUCH AS WE DO IN REGIONAL DEVELOPMENT, EVEN THOUGH THAT NATION HAS ONLY A TENTH OF OUR POPULATION.

RIGHT NOW, E.D.A. CLINGS TENACIOUSLY TO LIFE, A SOMEWHAT NEGLECTED AND IGNORED AGENCY WITHIN THE DEPARTMENT OF COMMERCE. IN THE DEPARTMENT OF LABOR, THEY ARE TRYING UNSUCCESSFULLY TO ABANDON THE FEW MANPOWER AND TRAINING PROGRAMS SPECIFICALLY DESIGNED FOR THOSE "PEOPLE LEFT BEHIND," DESCRIBED BY THE PRESIDENT'S NATIONAL ADVISORY COMMISSION ON RURAL POVERTY IN 1967.

AND CONGRESS HAS HAD TO PROD AND PUSH THE DEPARTMENT OF AGRICULTURE TO IMPLEMENT THE RURAL DEVELOPMENT PROGRAMS FOR WHICH IT IS RESPONSIBLE.

AT PRESENT WE HAVE A NATIONAL UNEMPLOYMENT LEVEL OF
OVER 8 PERCENT. AND IF YOU INCLUDE THOSE PEOPLE WHO HAVE GIVEN
UP LOOKING FOR WORK AND THE PART-TIME EMPLOYEES, YOU ARE LOOKING
AT AN 11 OR 12 PERCENTAGE LEVEL.

WE DO NOT HAVE VERY GOOD STATISTICS ON UNEMPLOYED PEOPLE
IN RURAL AREAS. THIS RESULTS FROM BOTH A LACK OF COVERAGE,
AND FAULTY DEFINITIONS OF UNEMPLOYMENT.

WITH HIGH UNEMPLOYMENT LEVELS EXPECTED TO CONTINUE, SOME
TRY TO ARGUE THAT PUBLIC WORKS PROGRAMS WILL NOT HELP BECAUSE
OF THE LONG LEAD TIME NEEDED TO BEGIN A PROJECT.

IT'S A VERY "IN" THING THESE DAYS TO SAY THAT THE WPA,
PWA AND CCC PROGRAMS OF THE DEPRESSION WERE **BOONDOGGLES** --
FAILURES.

BUT THOSE PROGRAMS PUT PEOPLE TO WORK, AND THE FRUITS
OF THEIR LABORS CONTINUE TO DOT THE LANDSCAPE OF AMERICA WITH
PUBLIC BUILDINGS, SCHOOLS AND ROADS, PARKS AND RECREATION AREAS.

TODAY WE NEED TO DEVELOP A SHELF LIST OF PUBLIC SERVICE
JOBS WHEREBY WE CAN BEGIN TO PUT OUR PEOPLE BACK TO WORK.

THERE STILL ARE ROADS TO BE BUILT AND IMPROVED, RAILROAD BEDS
TO BE REBUILT, SHELTERBELTS TO BE REPLANTED, CANALS AND RIVERS
TO BE DREDGED AND FORESTS TO BE REPLANTED.

THESE PROJECTS WILL TAKE OUR PEOPLE OFF OF UNEMPLOYMENT
AND FOOD STAMPS AND MAKE THEM PROUD TAXPAYERS.

PLENTIFUL EMPLOYMENT OPPORTUNITIES ARE AN ESSENTIAL PART
OF A SOUND RURAL DEVELOPMENT STRATEGY.

THE TIDAL WAVE OF RURAL PEOPLE MIGRATING TO THE CITIES --
MOSTLY FAMILY FARMERS FORCED OFF THE LAND SINCE WORLD WAR II --
CAUSED PROBLEMS FOR OUR CITIES AND HELPED CREATE SOCIAL
DISRUPTION.

BUT NOW IT APPEARS THAT THE TIDE IS GOING BACK OUT.
BETWEEN 1970 AND 1973, THE NON-METROPOLITAN POPULATION GREW
BY 4.3 PERCENT, WHILE METROPOLITAN AREAS INCREASED BY ONLY
2.8 PERCENT.

THE YOUNG MEN AND WOMEN WHO WERE **FORCED** TO LEAVE THEIR
RURAL HOMES BECAUSE OF THE LACK OF JOB OPPORTUNITIES ARE NOW
COMING BACK. SO ARE THE RETIRED PEOPLE, WHO HAVE LEARNED THAT
THEIR FIXED INCOMES WILL STRETCH MUCH FARTHER IN THE RURAL
SETTING.

AND MANY FAMILIES HAVE DECIDED THAT THEY LIKE THE HEALTHY RURAL ENVIRONMENT IN WHICH TO RAISE THEIR FAMILIES.

IN MINNESOTA, THE METROPOLITAN AREAS LOST 80,000 PEOPLE IN THE LAST FEW YEARS, WHILE THE RURAL AREAS GAINED 92,000 PEOPLE. THIS IS A MAJOR TURNABOUT, CONSIDERING THAT 86 PERCENT OF THE STATE'S POPULATION GROWTH FROM 1950 TO 1970 WAS IN THE URBAN AREAS.

WHILE THERE IS EVIDENCE THAT THE MANUFACTURING SECTOR OF THE ECONOMY IS NOW MOVING INTO RURAL AMERICA, THIS HAS BEEN A MIXED BLESSING.

TODAY, WE SEE THAT UNEMPLOYMENT IS AS BAD OR WORSE IN RURAL AREAS THAN IN THE URBAN AREAS BECAUSE OF THE GROWING IMPORTANCE OF INDUSTRY IN THE RURAL AREAS.

DURING THE PERIOD BETWEEN 1965 AND 1972, PERSONAL INCOME IN THE UNITED STATES INCREASED AT AN ANNUAL AVERAGE RATE OF MORE THAN EIGHT PERCENT -- OR OVER \$1,700 -- IN BOTH METROPOLITAN AND NON-METROPOLITAN AREAS.

HOWEVER, THE DIFFERENTIAL BETWEEN METROPOLITAN AND NON-METROPOLITAN INCOME INCREASED IN FAVOR OF METROPOLITAN COUNTIES. THE AMOUNT OF INCREASE WAS GREATER IN METROPOLITAN COUNTIES -- \$1,807, COMPARED TO \$1,474 IN NON-METROPOLITAN COUNTIES.

AND, WHILE ONLY 10 PERCENT OF THE PEOPLE OF METROPOLITAN AMERICA MET THE POVERTY STANDARD, 14 PERCENT OF THOSE IN RURAL AMERICA WERE LIVING BELOW THE POVERTY LEVEL.

THE INESCAPABLE FACT REMAINS THAT MUCH OF RURAL AMERICA STILL REMAINS OUTSIDE THE MAINSTREAM OF AMERICAN LIFE.

MANY FARM FAMILIES RECEIVE A CONSIDERABLE PORTION OF THEIR INCOME FROM NON-FARM SOURCES. YET FARMERS ARE NOT COUNTED AS UNEMPLOYED BECAUSE THEY CONTINUE TO WORK ON THEIR OWN FARMS AS THEY LOOK FOR NON-FARM JOBS.

CONGRESS PROVIDED A MECHANISM TO IMPROVE INCOMES AND CREATE JOBS WHEN IT ENACTED THE RURAL DEVELOPMENT ACT OF 1972. AND I AM PROUD AT HAVING HELPED DEVELOP THIS IMPORTANT LEGISLATION.

IN THE PROPER HANDS, THE RURAL DEVELOPMENT ACT COULD HAVE BEEN USED THIS YEAR AS A RURAL ANTI-RECESSION ACT. INSTEAD, THE RESPONSE OF THE ADMINISTRATION HAS BEEN TO GO SLOW WHEN DECISIVE ACTION WAS REQUIRED.

A MAJOR SHORTCOMING OF THE 1972 RURAL DEVELOPMENT ACT WAS THE FAILURE TO ESTABLISH A SEPARATE RURAL CREDIT INSTITUTION. SUCH A FINANCIAL INSTITUTION IS ESSENTIAL TO SPUR THE ECONOMIC REVIVAL OF RURAL AMERICA. OFTEN, RURAL COMMUNITIES ARE PREVENTED FROM TAKING STEPS TO SPUR ECONOMIC DEVELOPMENT BECAUSE THEY LACK SUFFICIENT CAPITAL TO ATTRACT INVESTORS.

THE 1971 PRESIDENTIAL TASK FORCE ON RURAL DEVELOPMENT RECOGNIZED THIS NEED AND RECOMMENDED "A NEW CREDIT INSTITUTION TO PROVIDE RURAL AREAS WITH GREATER ACCESS TO PRIVATE CAPITAL."

I HAVE INTRODUCED LEGISLATION DESIGNED TO CARRY THROUGH THIS RECOMMENDATION, AND I AM HOPEFUL THAT ACTION WILL BE TAKEN ON IT.

THE RURAL DEVELOPMENT ACT INCLUDES A NUMBER OF IMPORTANT PROGRAMS TO IMPROVE THE QUALITY OF LIFE AND STIMULATE GROWTH AND DEVELOPMENT IN THE NON-METROPOLITAN AREAS.

I AM THINKING PARTICULARLY OF PROGRAMS TO ENCOURAGE INDUSTRIAL DEVELOPMENT, RESEARCH AND EDUCATION, AND THE CONSTRUCTION OF COMMUNITY FACILITIES. AND, WE HAVE PROVIDED PROGRAMS TO IMPROVE RURAL HOUSING SINCE THERE ARE OVER 1.4 MILLION SUBSTANDARD RURAL HOUSING UNITS.

EDUCATION LEVELS ARE DIRECTLY CONNECTED WITH THE LOW INCOME LEVELS AND THE OCCUPATIONAL STRUCTURE OF THE WORK FORCE.

WHEN THE 1970 CENSUS WAS TAKEN, THE MEDIAN YEARS OF SCHOOL COMPLETED BY ALL PERSONS AGED 25 AND OVER WAS 12.1 YEARS, BUT FOR RESIDENTS OF PREDOMINATELY RURAL COUNTIES, IT WAS 10.5 YEARS.

WHILE THE RURAL POPULATION ACCOUNTS FOR ABOUT A THIRD OF THE NATION'S TOTAL POPULATION, IT IS SCATTERED OVER ABOUT 98 PERCENT OF OUR LAND, BUT AT A DENSITY OF ONLY ABOUT 19 PERSONS PER SQUARE MILE.

THIS CREATES THE DOUBLE-BARRELED PROBLEM OF FINDING WORK AND OF RECEIVING VARIOUS KINDS OF GOVERNMENT SERVICES,

TAKE HEALTH CARE, FOR INSTANCE.

AS OF DECEMBER 1972, THE RATIO OF ACTIVE PHYSICIANS PER 100,000 PEOPLE WAS MORE THAN TWICE AS HIGH IN URBAN AS IN RURAL AREAS. RURAL RESIDENTS ALSO HAVE CONSIDERABLY LESS ACCESS TO SPECIALIST CARE AND TO DOCTORS WITH A HOSPITAL-BASED PRACTICE.

WHAT THIS MEANS IS THAT 86 PERCENT OF THE DOCTORS SERVE 74 PERCENT OF THE POPULATION, AND RURAL AMERICANS TAKE WHAT IS LEFT.

WHILE I HAVE EMPHASIZED PROGRAMS TO STIMULATE DEVELOPMENT AND DIVERSIFY THE RURAL ECONOMY, I WOULD LIKE TO MAKE CRYSTAL CLEAR THAT TO HAVE A STRONG RURAL AMERICA WE NEED TO HAVE A VIABLE FARM ECONOMY.

EVERYONE KNOWS OF THE PROSPERITY WHICH OUR RURAL COMMUNITIES EXPERIENCED IN 1973 WHEN NET FARM INCOME ZOOMED TO OVER \$29 BILLION.

BUT THE FIGURE DROPPED TO JUST OVER \$27 BILLION LAST YEAR, AND IT IS LIKELY TO DROP AGAIN IN 1975.

AND OUR FARMERS HAVE BEEN BESET BY RISING PRODUCTION COSTS AND ABOVE ALL BY A HIT AND RUN, STOP AND GO AGRICULTURAL POLICY.

WE HAVE ASKED OUR FARMERS TO GO ALL OUT IN PRODUCTION AND YET THIS ADMINISTRATION REFUSES TO SHARE IN THE RISK IN ORDER TO ASSURE THE FARMERS A FAIR RETURN.

OUR CONSUMERS RECEIVE THE WORLD'S GREATEST VARIETY OF
FOOD AND AT ONLY AROUND 17 PERCENT OF THEIR TAKE HOME INCOME. OUR
FARM EXPORTS THIS YEAR ARE EXPECTED TO TOTAL AROUND \$22 BILLION.
AND OUR FOOD AID TO NEEDY NATIONS SINCE 1954 HAS TOTALLED
\$27 BILLION.

NO COUNTRY CAN BEGIN TO TOUCH THIS RECORD. AND YET OUR
FARMERS OFTEN FEEL AS IF THEY ARE BEING TREATED AS SECOND CLASS
CITIZENS. WE NEED TO KEEP THIS SYSTEM IN OPERATION, BOTH TO
FEED OUR PEOPLE AND MANY OTHERS THROUGHOUT THE WORLD.

TO DO THIS AND ALSO SUPPORT RURAL INDUSTRIALIZATION WE NEED
TO PAY MORE ATTENTION TO OUR RURAL TRANSPORTATION SYSTEM. THIS
INCLUDES NOT JUST ROADS BUT ALSO OUR RAILROADS AND WATERWAYS.

A RURAL TRANSPORTATION POLICY IS A MUST.

I CAN TAKE YOU TO PLACES IN RURAL MINNESOTA WHERE IT TAKES A FULL DAY TO GO 50 MILES BECAUSE THE RAIL BED IS SO BAD. YOU CAN BARELY FIND THE TIES! IT'S UNDERSTANDABLE THAT THERE ARE FREQUENT DERAILMENTS.

SINCE 1960, TRACK ABANDONMENTS HAVE AVERAGED ABOUT 1,000 MILES ANNUALLY. YET THE RAILROADS INSIST THAT THEY ARE LOSING \$130 MILLION A YEAR ON BRANCH LINES ALONE.

AROUND REDWOOD FALLS THEY CLAIM THE TRAINS DON'T RUN ON THAT LINE UNTIL THE QUACK GRASS IS STRONG ENOUGH IN SPRING TO HOLD THE TIES TOGETHER.

BUT WE SEEM UNABLE TO DEVELOP A CONCERTED PROGRAM WHICH RECOGNIZES THE CENTRAL IMPORTANCE OF THE TRANSPORTATION SYSTEM IN RURAL DEVELOPMENT.

THERE ARE A VARIETY OF OTHER AREAS WHICH WE COULD DEVELOP AS BEING CENTRAL TO A BALANCED RURAL ECONOMIC DEVELOPMENT PROGRAM.

I BELIEVE THAT IMPROVED COMMUNICATIONS, FOR EXAMPLE, CAN PLAY A MAJOR ROLE IN NOT ONLY IMPROVING THE QUALITY OF LIFE, BUT ALSO HELPING ATTRACT NEW INDUSTRIAL OPPORTUNITIES.

BUT AS A FIRST PRIORITY WE NEED TO DEVELOP BETTER MECHANISMS FOR ESTABLISHING RURAL DEVELOPMENT PRIORITIES. THIS MEANS LOOKING AT THE RESOURCES AVAILABLE AND ALLOCATING THEM ACCORDING TO A PLAN.

I KNOW THAT THIS ADMINISTRATION CRIES OUT AGAINST PLANNING AHEAD. BUT IT IS DONE -- AND VERY SUCCESSFULLY -- IN THE DEFENSE DEPARTMENT WHERE THEY HAVE A WHOLE HOST OF LONG RANGE PLANS.

NOW I SEE NO REASON WHY PLANNING, EVALUATION AND COORDINATION BETWEEN AGENCIES AND DEPARTMENTS SHOULDN'T BE FOLLOWED IN RURAL DEVELOPMENT. IT'S CALLED GOOD MANAGEMENT.

BUT GOOD MANAGEMENT REQUIRES SOUND LEADERSHIP. AND YOU HAVE TO GIVE THESE PROGRAMS PRIORITY ATTENTION.

I SHARE THE VIEW OF THE IMMORTAL DANTE WHO STATED:

"BETTER THE OCCASIONAL FAULTS OF A GOVERNMENT LIVING IN THE SPIRIT OF CHARITY THAN THE CONSISTENT OMISSIONS OF A GOVERNMENT FROZEN IN THE ICE OF ITS OWN INDIFFERENCE."

WE CANNOT DO ALL THAT WE WOULD LIKE TO ACCOMPLISH. BUT, WE CAN DO A GREAT DEAL MORE THAN OFFER EXCUSES AND CURSE THE DARKNESS.

THIS IS AN IMPORTANT TASK WHICH CALLS FOR THE BEST TALENTS AND DEDICATION OF ALL OF US. I PLEDGE MY BEST IN THIS EFFORT.

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