REMARKS OF SENATOR HUBERT H. HUMPHREY CONVERSATIONS IN THE COUNTRYSIDE CONFERENCE SOUTHWEST STATE UNIVERSITY Marshall, Minnesota June 1, 1976 I wish to commend the organizers of these sessions for focusing attention on economic development in rural America. Your earlier sessions have examined some problems of major significance. These meetings offer the opportunity to develop new approaches and above all encourage a new commitment to a sound rural development effort. Recently, people have started to note the resurgence of our rural areas. And our newspapers have reported the population movement from urban to rural areas. There has been a great deal of interest in the rapid population growth of the "Sunbelt" -- the southern and southwest areas of the country. But again, we need to know more about the basic causes. We need to know whether these trends are likely to continue. And we also need to develop goals and targets for rural development -- drawing on the experience of the 1972 Rural Development Act. Will this new 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? It does appear that in many cases, those migrating from the cities are trying to escape the smog, congestion and pressure in favor of a more healthy rural environment. The earlier tidal wave of rural people migrating to the cities after World War II was mostly family farmers forced off the land. These people were responding to the opportunity of employment in factories and mills. But this migration caused problems for our cities and helped create social disruption. Today it appears that the tide has turned. 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. 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. However, to have a balanced policy encouraging growth and vitality in our rural areas we need a firm commitment to increasing employment opportunities. At present we have a national unemployment level of well over 7 percent. And if you include those people who have given up looking for work and the part-time employees, you are looking at a 10 or 11 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.

Many of our small farmers or family members supplement their earning with non-farm employment.

I am presently pressing the case for S. 50, the Humphrey-Hawkins Full Employment and Balanced Growth Act, to reduce the waste represented by welfare, unemployment, food stamps and taxes never paid.

We are told by the Administration medicine men that this bill would lead to raging inflation. But we should recall that the level of unemployment was only around three and one half percent and inflation just over 4 percent when the Democrats left office in 1969 -- in contrast to both high unemployment and high inflation over the last seven years.

The facts of history are that when we are fully using our industrial and agricultural capacity, then jobs and incomes increase, production goes up, and inflation is moderated.

Our people want hope, not a handout. But the Administration continues to operate with no economic policy and no sense of urgency and compassion for millions of unemployed Americans. The White House and its Wall Street economic brain trust are content to let nature take its course, and nuts to the hindmost.

But when we talk about reversing the present course by establishing a comprehensive full employment and balanced growth policy, we must remember that there is a special need to stimulate employment opportunities in the rural areas. There 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 programs not only mean jobs for people and hope for the future. They mean investments in conserving our resources which will have a payoff in the future.

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

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. This is an important part of the job ahead of us in rural development, along with providing greatly expanded job opportunities.

Obviously, in pursuing a full employment policy for our rural and urban areas, we will have to rely on the private sector to provide most of the jobs. This means encouraging industry and keeping agriculture prosperous.

But to do this we need to give our farmers a fair chance at a profit, not a roller-coaster which constantly squeezes small producers out of business. Commissioner Wefald recently projected that each \$100 million in farm exports can lead to as many as 5,000 additional jobs. There is a critical need for imaginative and comprehensive food and agriculture policies which can have a major impact on employment levels.

It is interesting to note that, while incomes of rural families have historically been lower than that of urban dwellers, the trend seems to be changing.

The median income for <u>urban</u> families in 1969 was \$10,196, representing a 5.2 percent annual growth rate over the last decade.

For farm families, the annual rate of increase over the decade amounted to 8.2 percent -- with the average income reaching \$7,082 in 1969. Rural non-farm incomes increased by 5.1 percent on an annual basis,  $\overline{\text{and}}$  reached \$8,231 by the end of the decade.

If this trend continues, our rural areas should continue to grow since some living costs there are significantly lower.

But, we also need to be concerned with the quality of life in our rural communities. People want good housing, a decent education for their children, and sound, reasonably priced health care which is accessible.

Health care is one area in which our rural areas are particularly deficient. As the Congress tries to find a formula for national health insurance, we should make a special effort to extend the coverage of medical facilities in rural America.

With our rural population scattered over about 98 percent of the land and with a density of only about 19 persons per square mile, the delivery of effective medical services at a reasonable cost poses a major challenge to innovative health planning.

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.

Education is another matter of key concern to our rural population.

We know that, in general, the level of income that a man or woman earns, and the employment opportunities that are available to them, are directly related to the level and the quality and scope of their education.

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.

The quality of life also involves music, theater, and the dance, and other opportunities for cultural enhancement. Our rural citizens need these opportunities as much as urban people.

I am happy to hear that the Countryside Council has provided a grant to the Southwest Minnesota Arts and Humanities Council to serve the needs of 19 counties.

We need to make every effort to improve the quality of life, whether it be in terms of improved housing, better health care, further educational opportunities or expanded offerings in the arts.

However, as we look at the needs of rural America, it is not enough to state goals of government policy. We must go on to examine the capabilities and commitment of federal agencies to carry out these goals, to make good on promises, to actually deliver services that rural citizens have a right to expect.

One case in point is the Farmers Home Administration of the Department of Agriculture. The FmHA has been the major arm of the federal government in carrying out rural development activities.

This agency has been given responsibility for a wide variety of programs such as housing, water, waste disposal, conservation, rural fire protection, industrial and business development and community facilities.

Its personnel have been hard pressed to meet the growing demands placed upon it. Last year, Congress provided funds to hire an additional eleven hundred people, but the Administration moved to add only four hundred full time and three hundred part-time staff.

I have received complaints from some constituents regarding delays on the part of the Farmers Home Administration in responding to legitimate requests for assistance.

In some instances, the Farmers Home representative discouraged the constituent -- mainly on housing -- because he personally opposed the program.

I do not intend to have bureaucrats holding up programs and services because they object to the purposes of the authorizing legislation. Congress enacts the laws, and the sole function of appointed federal officials is to carry out those laws!

I am aware that the Farmers Home Administration is in the process of trying to streamline its paper requirements to help speed up service. This is an extremely important program, and I hope that the delivery of services can be improved.

We hear much discussion these days over "big government" and how it interferes with our lives. I believe that there are certain services which only the government can provide.

The complaint which I receive from my constituents is not that government is too big but that it is sometimes unresponsive.

I was very active in 1972 in developing the Rural Development Act. While there were some additional areas which should have been included in it, my main concern is over the lack of enthusiasm with which this Administration has proceeded on implementation.

I know of no area which has been beset by so many attempts at recission, impoundment or veto. Each year we have to go to bat to save activities such as rural fire protection and the Agricultural Conservation Program.

I am reminded of F.D.R. 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."

-5-One shortcoming of the 1972 Rural Development Act was the failure to establish a separate rural credit institution. Such a financial institution is essential to provide the muscle for 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. Another key area where a major effort is needed in support of rural America is in developing a rural transportation policy. 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. We seem unable to develop a concerted program which recognizes the central importance of the transportation system -- including roads, railroads, and waterways -- as it relates to rural development. I am hopeful that groups such as this can come up with new suggestions to encourage a balanced rural economic development program. Our academic experts need to be encouraged to be creative

and not discouraged by today's lack of interest on the part of this Administration.

We also 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 It's called good management. development.

A business which did not look ahead and plan for the future would be repudiated by its board of directors. And yet, some people fight the notion of having government plan ahead.

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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## REMARKS OF SENATOR HUBERT H. HUMPHREY

## CONVERSATIONS IN THE COUNTRYSIDE CONFERENCE

SOUTHWEST STATE UNIVERSITY

MARSHALL, MINNESOTA

JUNE 1, 1976

I WISH TO COMMEND THE ORGANIZERS OF THESE SESSIONS FOR

FOCUSING ATTENTION ON ECONOMIC DEVELOPMENT IN RURAL AMERICA.

YOUR EARLIER SESSIONS HAVE EXAMINED SOME PROBLEMS OF MAJOR

SIGNIFICANCE.

THESE MEETINGS OFFER THE OPPORTUNITY TO DEVELOP NEW

APPROACHES AND ABOVE ALL ENCOURAGE A NEW COMMITMENT TO A

SOUND RURAL DEVELOPMENT EFFORT.

RECENTLY, PEOPLE HAVE STARTED TO NOTE THE RESURGENCE OF OUR RURAL AREAS. AND OUR NEWSPAPERS HAVE REPORTED THE POPULATION MOVEMENT FROM URBAN TO RURAL AREAS.

THERE HAS BEEN A GREAT DEAL OF INTEREST IN THE RAPID

POPULATION GROWTH OF THE "SUNBELT" -- THE SOUTHERN AND

SOUTHWEST AREAS OF THE COUNTRY. BUT AGAIN, WE NEED TO KNOW

MORE ABOUT THE BASIC CAUSES.

WE NEED TO KNOW WHETHER THESE TRENDS ARE LIKELY TO

CONTINUE. AND WE ALSO NEED TO DEVELOP GOALS AND TARGETS FOR

RURAL DEVELOPMENT -- DRAWING ON THE EXPERIENCE OF THE 1972

RURAL DEVELOPMENT ACT.

WILL THIS NEW 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?

IT DOES APPEAR THAT IN MANY CASES, THOSE MIGRATING FROM
THE CITIES ARE TRYING TO ESCAPE THE SMOG, CONGESTION AND
PRESSURE IN FAVOR OF A MORE HEALTHY RURAL ENVIRONMENT.

THE EARLIER TIDAL WAVE OF RURAL PEOPLE MIGRATING TO THE

OFF THE LAND.

THESE PEOPLE WERE RESPONDING TO THE OPPORTUNITY OF EMPLOYMENT
IN FACTORIES AND MILLS. BUT THIS MIGRATION CAUSED PROBLEMS
FOR OUR CITIES AND HELPED CREATE SOCIAL DISRUPTION.

Today it appears that the tide has turned 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.

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.

However, TO HAVE A BALANCED POLICY ENCOURAGING GROWTH

AND VITALITY IN OUR RURAL AREAS WE NEED A FIRM COMMITMENT

TO INCREASING EMPLOYMENT OPPORTUNITIES.

AT PRESENT WE HAVE A NATIONAL UNEMPLOYMENT LEVEL OF WELL

OVER 7 PERCENT. AND IF YOU INCLUDE THOSE PEOPLE WHO HAVE

GIVEN UP LOOKING FOR WORK AND THE PART-TIME EMPLOYEES, YOU

ARE LOOKING AT A 10 OR 11 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.

MANY OF OUR SMALL FARMERS OR FAMILY MEMBERS SUPPLEMENT
THEIR EARNING WITH NON-FARM EMPLOYMENT.

I AM PRESENTLY PRESSING THE CASE FOR S, 50, THE HUMPHREY-HAWKINS FULL EMPLOYMENT AND BALANCED GROWTH ACT, TO REDUCE
THE WASTE REPRESENTED BY WELFARE, UNEMPLOYMENT, FOOD STAMPS
AND TAXES NEVER PAID.

WE ARE TOLD BY THE ADMINISTRATION MEDICINE MEN THAT THIS BILL WOULD LEAD TO RAGING INFLATION. BUT WE SHOULD RECALL THAT THE LEVEL OF UNEMPLOYMENT WAS ONLY AROUND THREE AND ONE HALF PERCENT AND INFLATION JUST OVER 4 PERCENT WHEN THE DEMOCRATS LEFT OFFICE IN 1969 -- IN CONTRAST TO BOTH HIGH UNEMPLOYMENT AND HIGH

INFLATION OVER THE LAST SEVEN YEARS.

THE FACTS OF HISTORY ARE THAT WHEN WE ARE FULLY USING OUR INDUSTRIAL AND AGRICULTURAL CAPACITY, THEN JOBS AND INCOMES INCREASE, PRODUCTION GOES UP, AND INFLATION IS MODERATED.

OUR PEOPLE WANT HOPE, NOT A HANDOUT. BUT THE ADMINISTRATION

CONTINUES TO OPERATE WITH NO ECONOMIC POLICY AND NO SENSE

OF URGENCY AND COMPASSION FOR MILLIONS OF UNEMPLOYED AMERICANS.

THE WHITE HOUSE AND ITS WALL STREET ECONOMIC BRAIN TRUST

ARE CONTENT TO LET NATURE TAKE ITS COURSE, AND NUTS TO THE

HINDMOST.

BUT WHEN WE TALK ABOUT REVERSING THE PRESENT COURSE BY

ESTABLISHING A COMPREHENSIVE FULL EMPLOYMENT AND BALANCED

GROWTH POLICY, WE MUST REMEMBER THAT THERE IS A SPECIAL NEED

TO STIMULATE EMPLOYMENT OPPORTUNITIES IN THE RURAL AREAS.

THERE 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 PROGRAMS NOT ONLY MEAN JOBS FOR PEOPLE AND HOPE FOR

THE FUTURE. THEY MEAN INVESTMENTS IN CONSERVING OUR RESOURCES

WHICH WILL HAVE A PAYOFF IN THE FUTURE.

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.

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. THIS IS

AN IMPORTANT PART OF THE JOB AHEAD OF US IN RURAL DEVELOPMENT,

ALONG WITH PROVIDING GREATLY EXPANDED JOB OPPORTUNITIES.

OBVIOUSLY, IN PURSUING A FULL EMPLOYMENT POLICY FOR OUR RURAL AND URBAN AREAS, WE WILL HAVE TO RELY ON THE PRIVATE SECTOR TO PROVIDE MOST OF THE JOBS. THIS MEANS ENCOURAGING INDUSTRY AND KEEPING AGRICULTURE PROSPEROUS.

BUT TO DO THIS WE NEED TO GIVE OUR FARMERS A FAIR CHANCE

AT A PROFIT, NOT A ROLLER-COASTER WHICH CONSTANTLY SQUEEZES

SMALL PRODUCERS OUT OF BUSINESS.

COMMISSIONER WEFALD RECENTLY PROJECTED THAT EACH \$100

MILLION IN FARM EXPORTS CAN LEAD TO AS MANY AS 5,000 ADDITIONAL

JOBS. THERE IS A CRITICAL NEED FOR IMAGINATIVE AND COMPREHENSIVE

FOOD AND AGRICULTURE POLICIES WHICH CAN HAVE A MAJOR IMPACT

ON EMPLOYMENT LEVELS.

IT IS INTERESTING TO NOTE THAT, WHILE INCOMES OF RURAL FAMILIES HAVE HISTORICALLY BEEN LOWER THAN THAT OF URBAN DWELLERS, THE TREND SEEMS TO BE CHANGING.

THE MEDIAN INCOME FOR <u>URBAN</u> FAMILIES IN 1969 WAS \$10,196,

REPRESENTING A 5.2 PERCENT ANNUAL GROWTH RATE OVER THE LAST DECADE.

FOR <u>FARM</u> FAMILIES, THE ANNUAL RATE OF INCREASE OVER THE DECADE AMOUNTED TO 8.2 PERCENT -- WITH THE AVERAGE INCOME REACHING \$7,082 IN 1969.

RURAL NON-FARM INCOMES INCREASED BY 5.1 PERCENT ON AN ANNUAL BASIS, AND REACHED \$8,231 BY THE END OF THE DECADE.

IF THIS TREND CONTINUES, OUR RURAL AREAS SHOULD CONTINUE
TO GROW SINCE SOME LIVING COSTS THERE ARE SIGNIFICANTLY LOWER.

But, we also need to be concerned with the quality of

LIFE IN OUR RURAL COMMUNITIES. People want good housing,

A DECENT EDUCATION FOR THEIR CHILDREN, AND SOUND, REASONABLY

PRICED HEALTH CARE WHICH IS ACCESSIBLE.

HEALTH CARE IS ONE AREA IN WHICH OUR RURAL AREAS ARE

PARTICULARLY DEFICIENT. AS THE CONGRESS TRIES TO FIND A

FORMULA FOR NATIONAL HEALTH INSURANCE, WE SHOULD MAKE A

SPECIAL EFFORT TO EXTEND THE COVERAGE OF MEDICAL FACILITIES

IN RURAL AMERICA.

WITH OUR RURAL POPULATION SCATTERED OVER ABOUT 98 PERCENT

OF THE LAND AND WITH A DENSITY OF ONLY ABOUT 19 PERSONS

PER SQUARE MILE, THE DELIVERY OF EFFECTIVE MEDICAL SERVICES

AT A REASONABLE COST POSES A MAJOR CHALLENGE TO INNOVATIVE

HEALTH PLANNING.

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.

EDUCATION IS ANOTHER MATTER OF KEY CONCERN TO OUR RURAL POPULATION.

WE KNOW THAT, IN GENERAL, THE LEVEL OF INCOME THAT A MAN OR WOMAN EARNS, AND THE EMPLOYMENT OPPORTUNITIES THAT ARE AVAILABLE TO THEM, ARE DIRECTLY RELATED TO THE LEVEL AND THE QUALITY AND SCOPE OF THEIR EDUCATION.

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.

THE QUALITY OF LIFE ALSO INVOLVES MUSIC, THEATER, AND THE DANCE, AND OTHER OPPORTUNITIES FOR CULTURAL ENHANCEMENT. OUR RURAL CITIZENS NEED THESE OPPORTUNITIES AS MUCH AS URBAN PEOPLE.

I AM HAPPY TO HEAR THAT THE COUNTRYSIDE COUNCIL HAS

PROVIDED A GRANT TO THE SOUTHWEST MINNESOTA ARTS AND HUMANITIES

COUNCIL TO SERVE THE NEEDS OF 19 COUNTIES.

WE NEED TO MAKE EVERY EFFORT TO IMPROVE THE QUALITY OF LIFE,
WHETHER IT BE IN TERMS OF IMPROVED HOUSING, BETTER HEALTH

CARE, FURTHER EDUCATIONAL OPPORTUNITIES OR EXPANDED OFFERINGS

IN THE ARTS.

However, as we look at the needs of Rural America, it

IS NOT ENOUGH TO STATE GOALS OF GOVERNMENT POLICY. WE MUST

GO ON TO EXAMINE THE CAPABILITIES AND COMMITMENT OF AGENCIES TO CARRY OUT THESE GOALS, TO MAKE GOOD ON PROMISES,

TO ACTUALLY DELIVER SERVICES THAT RURAL CITIZENS HAVE A RIGHT

TO EXPECT.

ONE CASE IN POINT IS THE FARMERS HOME ADMINISTRATION OF

THE DEPARTMENT OF AGRICULTURE. THE FMHA HAS BEEN THE MAJOR

ARM OF THE FEDERAL GOVERNMENT IN CARRYING OUT RURAL DEVELOPMENT

ACTIVITIES.

THIS AGENCY HAS BEEN GIVEN RESPONSIBILITY FOR A WIDE

VARIETY OF PROGRAMS SUCH AS HOUSING, WATER, WASTE DISPOSAL,

CONSERVATION, RURAL FIRE PROTECTION, INDUSTRIAL AND BUSINESS

DEVELOPMENT AND COMMUNITY FACILITIES.

ITS PERSONNEL HAVE BEEN HARD PRESSED TO MEET THE GROWING DEMANDS PLACED UPON IT. LAST YEAR, CONGRESS PROVIDED FUNDS TO HIRE AN ADDITIONAL ELEVEN HUNDRED PEOPLE, BUT THE ADMINISTRATION MOVED TO ADD ONLY FOUR HUNDRED FULL TIME AND THREE HUNDRED PART-TIME STAFF.

I HAVE RECEIVED COMPLAINTS FROM SOME CONSTITUENTS REGARDING
DELAYS ON THE PART OF THE FARMERS HOME ADMINISTRATION IN
RESPONDING TO LEGITIMATE REQUESTS FOR ASSISTANCE.

IN SOME INSTANCES, THE FARMERS HOME REPRESENTATIVE

DISCOURAGED THE CONSTITUENT -- MAINLY ON HOUSING -- BECAUSE

HE PERSONALLY OPPOSED THE PROGRAM.

I DO NOT INTEND TO HAVE BUREAUCRATS HOLDING UP PROGRAMS

AND SERVICES BECAUSE THEY OBJECT TO THE PURPOSES OF THE

AUTHORIZING LEGISLATION. CONGRESS ENACTS THE LAWS, AND

THE SOLE FUNCTION OF APPOINTED FEDERAL OFFICIALS IS TO CARRY

OUT THOSE LAWS!

I AM AWARE THAT THE FARMERS HOME ADMINISTRATION IS IN THE PROCESS OF TRYING TO STREAMLINE ITS PAPER REQUIREMENTS TO HELP SPEED UP SERVICE.

THIS IS AN EXTREMELY IMPORTANT PROGRAM, AND I HOPE THAT THE DELIVERY OF SERVICES CAN BE IMPROVED.

WE HEAR MUCH DISCUSSION THESE DAYS OVER "BIG GOVERNMENT"

AND HOW IT INTERFERES WITH OUR LIVES. I BELIEVE THAT THERE

ARE CERTAIN SERVICES WHICH ONLY THE GOVERNMENT CAN PROVIDE.

THE COMPLAINT WHICH I RECEIVE FROM MY CONSTITUENTS IS NOT THAT GOVERNMENT IS TOO BIG BUT THAT IT IS SOMETIMES UNRESPONSIVE.

I WAS VERY ACTIVE IN 1972 IN DEVELOPING THE RURAL

DEVELOPMENT ACT. WHILE THERE WERE SOME ADDITIONAL AREAS

WHICH SHOULD HAVE BEEN INCLUDED IN IT, MY MAIN CONCERN IS

OVER THE LACK OF ENTHUSIASM WITH WHICH THIS ADMINISTRATION

HAS PROCEEDED ON IMPLEMENTATION.

I KNOW OF NO AREA WHICH HAS BEEN BESET BY SO MANY ATTEMPTS

AT RECISSION, IMPOUNDMENT OR VETO. EACH YEAR WE HAVE TO GO TO

BAT TO SAVE ACTIVITIES SUCH AS RURAL FIRE PROTECTION AND THE

AGRICULTURAL CONSERVATION PROGRAM.

I AM REMINDED OF F.D.R. 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."

ONE SHORTCOMING OF THE 1972 RURAL DEVELOPMENT ACT WAS THE FAILURE TO ESTABLISH A SEPARATE RURAL CREDIT INSTITUTION. SUCH A FINANCIAL INSTITUTION IS ESSENTIAL TO PROVIDE THE MUSCLE FOR 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.

ANOTHER KEY AREA WHERE A MAJOR EFFORT IS NEEDED IN SUPPORT

OF RURAL AMERICA IS IN DEVELOPING A RURAL TRANSPORTATION POLICY.

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.

WE SEEM UNABLE TO DEVELOP A CONCERTED PROGRAM WHICH RECOGNIZES

THE CENTRAL IMPORTANCE OF THE TRANSPORTATION SYSTEM -- INCLUDING

ROADS, RAILROADS, AND WATERWAYS -- AS IT RELATES TO RURAL

DEVELOPMENT.

I AM HOPEFUL THAT GROUPS SUCH AS THIS CAN COME UP WITH NEW SUGGESTIONS TO ENCOURAGE A BALANCED RURAL ECONOMIC DEVELOPMENT PROGRAM.

OUR ACADEMIC EXPERTS NEED TO BE ENCOURAGED TO BE CREATIVE

AND NOT DISCOURAGED BY TODAY'S LACK OF INTEREST ON THE PART OF

THIS ADMINISTRATION.

WE ALSO 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.

A BUSINESS WHICH DID NOT LOOK AHEAD AND PLAN FOR THE FUTURE WOULD BE REPUDIATED BY ITS BOARD OF DIRECTORS. AND YET, SOME PEOPLE FIGHT THE NOTION OF HAVING GOVERNMENT PLAN AHEAD.

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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