

7747

See next
page

LOW INCOME FARM PEOPLE

Preliminary

December 1, 1954

Task Force Representation

Research and Extension

Department of Agriculture

Agricultural Research Service, Ch.
Agricultural Marketing Service
Extension Service
Farm Cooperative Service
Forest Service
Soil Conservation Service
Dept. of Health, Education, and Welfare
Veterans Administration

Nonfarm Employment Information and Mobility of Farm People

Department of Agriculture

Agricultural Marketing Service, Ch.
Agricultural Research Service
Forest Service
Department of Labor
U. S. Chamber of Commerce

Vocational Training

Department of Agriculture

Agricultural Marketing Service, Ch.
Extension Service
Dept. of Health, Education, and Welfare
Department of Labor
Library of Congress
Veterans Administration

Industrialization in Underemployed Areas

Department of Agriculture

Extension Service, Ch.
Agricultural Marketing Service
Forest Service
Department of Commerce
Department of Labor
Department of Defense
Office of Defense Mobilization

Welfare Considerations

Department of Agriculture

Extension Service, Ch.
Agricultural Marketing Service
Agricultural Research Service
Rural Electrification Administration
Dept. of Health, Education, and Welfare
Department of Labor

Credit and Financial Management

Department of Agriculture

Farmers Home Administration, Ch.
Agricultural Research Service
Farm Credit Administration
Rural Electrification Administration
American Bankers' Association
Library of Congress

Part-time Farming

Department of Agriculture

Farm Credit Administration, Ch.
Agricultural Research Service
Extension Service
Forest Service

Migratory Workers

Department of Agriculture

Commodity Stabilization Service, Ch.
Agricultural Marketing Service
Agricultural Research Service
Extension Service
Foreign Agricultural Service
Department of Labor

*Omitted from
this report*

*Omitted
as a separate
report*

CONTENTS

Page

Background and recommendations.....	1
Nature of the study.....	5
Suggested approaches to low income farm problems.....	7
Important suggested steps.....	9
Problem areas in agriculture.....	12
Major areas of low income and levels of living.....	13
Summary description of generalized problem areas.....	21
✓ Research and extension.....	28
Extension and technical assistance.....	29
Present situation.....	29
Recommendations.....	30
Suggested approaches in pilot counties.....	32
Research.....	34
Present situation.....	34
Suggested lines of research.....	35
General recommendations.....	38
✓ Agricultural services for part-time farmers.....	40
Extension programs for part-time farmers.....	41
Credit.....	42
Increasing timber-cutting possibilities for part-time farmers.....	43
Needed research.....	44

Credit and financial management.....	45
More fully utilize private and cooperative credit sources.....	46
Increase the supply of intermediate-term credit.....	47
Continue and strengthen existing government credit services as needed.....	48
Nonfarm employment information and mobility of farm people.....	52
Migration from farms.....	53
Areas not well suited to continuous cultivation.....	53
Program of the Employment Service.....	54
Recommendations.....	56
Industrialization in underdeveloped low-income farm areas.....	59
Recommendations.....	59
Vocational training.....	64
Vocational training and guidance programs.....	65
Expenditures for vocational training and guidance.....	66
Recent developments in vocational training.....	70
Availability of and participation in vocational training and guidance facilities.....	72
Recommendations.....	77

BACKGROUND AND RECOMMENDATIONS

This study focuses on low income farm families. In 1949 1.5 million farm operator families had total cash incomes below \$1,000 (table 1). These farm families represent nearly 30 percent of the 5.4 million farm operator families. Over half of our farm families had cash incomes below \$2,000. Most of these low income families are on small farms.

A part of the low income -small farm problem centers around older and incapacitated farmers. Solutions to the problems of older or incapacitated families require approaches different from those of other groups and is not analyzed in detail in this report. A considerable part of the immediate solution is in providing better welfare and security service for such older or incapacitated people. Recent legislation extending social security provisions to farm operator families represents an important step in this direction. In 1950 there were over 300,000 aged operators on low income farms with net incomes under \$1,000. While in some cases, a son or another member of the family assists with the farm work on such farms, the number of aged or incapacitated farm families represents an important sector of the low income farm problem.

But most low income farmers are able-bodied and of working age. The largest number are primarily dependent on farming for their living. They are a significant part of our farm population over a wide area of the United States. There are nearly a thousand counties in all regions of the United States where more than one-half of the full-time farmers are primarily dependent on the income from small, low income farms. A significant proportion of these farm families will, and should, remain in agriculture.

Table 1.- Number of farm operator families with specific characteristics, classified by net family incomes, United States, 1950 ^{1/}

Type of farm family	Total	Net cash family income	
		from all sources	
		Under	Under
		\$2,000	\$1,000
	Thousands	Thousands	Thousands
All farm operator families	5,379	2,849	1,513
Farm operator families on small farms ^{2/}	3,287	2,145	1,269
Farm operator families on small farms with heads under 65	2,680	1,691	943
Families with operator working off-farm 100 days or more	1,091	404	156
Families with operator working off-farm 100 days or less	1,589	1,287	787

^{1/} Derived from "Farms and Farm People" A Special Cooperative Report, U. S. Department of Commerce and U. S. Department of Agriculture, June 1953.

^{2/} Farms where the gross sales of farm products were less than \$2,500 in 1949.

Special problems face these families in efforts to increase income and efficiency. From the standpoint of agricultural development, good technical opportunities for increasing incomes in many of these areas are frequently obstructed by lack of management information and skills, by lack of access to sources of farm development credit, and by the financial insecurity arising from their present low incomes and financial reserves.

An important part of the solution of the problems of low income farm people lies outside commercial agriculture. Of the part-time farmers a substantial number, even with the added employment, have low incomes. Large numbers of farm youths, farm workers, and operators of small full-time farms could improve their income and effectiveness by engaging in part-time or full-time employment in industry and on other farms.

Opportunities for improving incomes through part-time farming and non-farm employment are not fully utilized. Employment services in many low income farm areas are not accessible and where available are frequently not adequately used. Lack of local industrial-urban development has been an important impediment in many areas.

The reorganization of agriculture needed in the low income areas is a slow process, and the magnitude of the necessary adjustments is exceptionally great. For example, the Mississippi Agricultural Experiment Station recently estimated that the optimum long-run readjustment of the agricultural resources in the Mississippi uplands would involve a 60 percent reduction in the farm labor force, accompanied by a substantial increase in the average size of

farms would be required. 1/ Readjustments of this magnitude can be left wholly to underlying forces of economic development only at great human and social cost. Certainly, the process can be hastened and facilitated by sound public policies.

The problem of low incomes of an extensive segment of farm people arises in large part as a consequence of the far-reaching changes occurring in the growth of the U. S. economy. In this process of growth, adjustments in all sectors are required.

Both currently and prospectively, changes in agriculture take the form of continued movement from farm to nonfarm occupations. Approximately one-fourth of the farm-reared young men in the 1950-60 decade would have to find employment in nonfarm activities even if there were no change in the present number of people employed in agriculture. In many of the low income areas this proportion would run from one-third to one-half.

At the same time fewer people will be needed in full-time agriculture. Output per worker can be expected to increase rapidly. It has already increased about 50 percent in the last decade. More than a half of the young people reaching maturity in this period have left the farm for nonfarm employment or residence. In many low income areas a still greater proportion must leave in the future if agriculture develops on a sound basis.

In addition to increased earnings, a greater emphasis is needed on *health,* educational and welfare facilities and services in low income rural areas. A

1/ D. W. Parvin, "The Nature of an Efficient Agriculture in the Shortleaf

basic consideration is the fact that these services in the low income areas profoundly affect the opportunities of the next generation. Special provisions are needed to make these facilities more accessible to low income farmers.

While progress has been made in providing services to low income farm people, both public and private efforts remain inadequate. Approaches to the problem must be carefully built. The nature of the approach varies with conditions. State and local responsibilities will be large. Interest and activity on the part of private groups is essential.

Nature of the Study

The U. S. Department of Agriculture has a special responsibility in taking leadership with respect to this problem. Activities of the Department directly relate to particular aspects of the problem. In other aspects of the problem, its responsibility for increasing the prosperity of agriculture makes it the logical agency for calling these aspects to the attention of interested groups and agencies.

Improvements in the productivity of low income farm people can be of great importance to the welfare of agriculture and to national growth. Family incomes on these farms are only a third to a half of those on larger commercial farms. Reduction in these income differentials by encouraging adjustments to increase earning of low income farm people can materially increase total national output and consumption.

In submitting his recommendations for a new program to Congress on January 11, President Eisenhower announced that the Secretary of Agriculture in cooperation with the National Agricultural Advisory Commission would

"give further special attention to the problems peculiar to small farmers." In line with this directive the National Agricultural Advisory Commission and the Department of Agriculture have undertaken a review of the problem of low income rural people. The purpose of this review is to aid in improving programs already operative, in developing programs within present legislative authority, and in evaluating and formulating legislative proposals which Congress may consider.

The approach in making these studies has been to review in each of the significant areas the present activities and how these programs might be improved. The Task Forces set up included representatives from the U. S. Department of Agriculture, various other Departments of government, and private groups. In the process of this review, consideration has been given to the views received from approximately 40 selected groups and individuals. In general, these views indicate an awareness of the problem and a desire to initiate constructive action.

While there were differences in the opinions presented, the studies represent as nearly as possible the consensus among both the letters received from consulted individuals and the representatives participating on the Task Forces.

The studies indicate a real need for increased assistance to low income farm people if opportunities for sharing the benefits of technology are to be improved. In a broad sense, the key problem appears to be educational in nature, including information and guidance to stimulate action by low income farm people, local groups, and private business with respect to nonfarm employment opportunities, farm, home, and financial management, and ^{health and} welfare problems.

The recommendations reflect the philosophy that in the American system of government the individual has the responsibility and privilege of establishing his own particular goals and aspirations. The function of society is to provide full opportunity for the individual to formulate and attain his particular goals within the limits of his capacity. It was equally firmly felt that the States and local communities and private enterprises would have a large share of responsibility in developing approaches that will solve the low income farm problem.

Suggested Approaches to Low Income Farm Problems

Within this broad framework substantial improvements appear to be needed in the service provided to these farm people. Suggestions for improving income and levels of living of low income farm families take three major roads.

1. Increasing productivity of low income farm families in commercial agriculture. Improvements in production practices and farming systems in combination with increase in the size of farm offers large possibilities for increasing the productivity of commercial agriculture in many of these areas. Possibilities for technological developments through improvements in production practices, cultural practices, and new crops and systems of farming in several of the low income areas are among the brightest in the nation. On the Red and Yellow Podzolic soils found in many of the southern low income areas, for example, the gap between scientific knowledge and farm practice is perhaps larger than for any other major soil group in the United States. Farm enlargement when coupled with improved farming practices and farming systems offers opportunities for multiplying increases in productivity to several times the present extremely low levels.

Programs for increasing productivity in commercial farming in low income farm areas must differ from educational programs in other areas primarily in (a) emphasis on integration of approaches to improve productivity in commercial farming with approaches to broaden opportunities for nonfarm employment, (b) adaption of educational approaches to reach people with little formal school training and small financial reserves, and (c) integration of educational programs with credit programs necessary to finance adoption of improved practices.

2. Increasing productivity and prospects for employment in part-time farming and nonfarm jobs. The increasing number of people in many of these areas who have improved their productivity and levels of living through full or part-time employment in nonfarm activities have done much to raise levels of living of many low income farm families in recent years. Opportunities of this type need to be broadened and expanded. Important in this are developments to increase industrialization, part-time farming, nonfarm employment opportunities, and economic mobility.

In these programs greater emphasis needs to be given to (a) expanded and improved informational services on job opportunities available locally and outside the area, (b) measures that will stimulate full consideration of low income farm areas in industrial expansion, and (c) services to assist low income farmers in evaluating part-time farming as an alternative and in meeting problems in effectively combining farming operations with nonfarm

3. Increasing opportunities for young people to secure training that will increase their productivity. The longer-term prospects for improved levels of living of people in these areas is peculiarly dependent of decisions and capabilities of young people now growing up in these areas. Perhaps more than a half of these people will take up nonfarm occupations. The low proportion of these people with secondary education, the inaccessibility of vocational training facilities are important and fundamental impediments to the adjustments in use of human resources needed in these areas to improve living standards.

Available evidence indicates that educational level is one of the most significant factors in encouraging occupational adjustments. Expansion in the Federal grants in aid for vocational training in low income farm areas together with measures to make these more accessible to rural families is of great importance to levels of living of the coming generation.

Important Suggested Steps

Increasing opportunities for young people to develop health resources

The following steps are among those that deserve serious and prompt consideration.

1. The Federal and State Extension Services should develop and expand their extension work with low income and part-time farmers. During 1955 experimental programs should be launched in a number of counties in all major areas to gain experience in new approaches.

2. Private and cooperative lending agencies should be encouraged to make changes in lending policies which would permit increased use of intermediate credit by worthy borrowers who are attempting to develop their farms.

3. More funds should be made available for intermediate credit on loans of suitable quality through FHA to supplement private and cooperative credit activities. These funds would help meet the needs on low income farms for more direct integration of credit and management services during the transition period of development.

4. An intensified cooperative State-federal research program should be undertaken to develop the basic information on the economic, social and physical problems which low income farm families face in increasing incomes. This information should include the facts regarding the resource combinations most promising of success, and the problems of agricultural development, industrial development, off-farm employment and vocational adjustments.

5. During the next few months State and regional meetings should be held with land-grant colleges, credit agencies, and other groups with the objective of developing programs adapted to local needs.

6. State Employment Agencies should improve and strengthen services in facilitating nonfarm and farm employment in low income rural areas.

7. Areas of rural underemployment should be identified and included as part of labor market information services to facilitate occupational adjustments.

8. The Department should work with the Office of Defense Mobilization and other agencies in connection with the program of industrial dispersal of defense industries to set up criteria to recognize regions with an abundance of underemployed rural population.

9. Programs should be undertaken to make educational opportunities more accessible to low income farm families. Revision in formulae for allocating Federal grants in aid for vocational education should be considered. The establishment of an educational loan fund for farm youth may be desirable. Consideration also needs to be given to the needs for scholarship programs in areas where vocational education facilities are not locally accessible.

10. The Department of Agriculture should participate with the Department of Health, Education, and Welfare in the planning of State conferences on education that are now being developed in connection with the White House conference on education to be held in 1955.

11. Experimental vocational training programs with emphasis on preparing for urban employment, as well as farm operation, should be established as pilot studies by the Department of Agriculture and other agencies.

These and other steps are discussed in more detail in the sections that follow.

12. Experimental health programs

PROBLEM AREAS IN AGRICULTURE

Technological progress in agriculture, along with growth and change in the economy generally, has been associated with a general increase in efficiency and income. A substantial segment of agriculture, however, has not shared fully in the benefits from these developments. On significant numbers of farms, in some areas, adjustments in resource combinations which would allow participation in the overall increases in productivity and income have not been made. Reasons for this differential rate of progress can be traced to local conditions. These conditions include differences in the physical and economic environment and the associated differences in such things as the availability of capital, production and employment alternatives, levels of health and education, and attitudes towards change.

Along with modern family farms that have made adjustments to present conditions many others are using out-dated techniques and machinery. Considerable numbers of these low income farms are found in all sections of the country but they are most numerous in areas having (1) dense agricultural settlement with relatively high birth rates, (2) few local or nearby alternatives to agricultural employment and (3) resource connected problems in mechanization.

More children are born on the farms than the present economy needs to carry on farming operations. Limited alternatives for employment and lack of adequate training in rural areas have retarded full and free movements of people out of agriculture. Over-crowding of land resources has resulted in

failure of farms to make recommended changes and to . . .

increase in the productivity of labor. An abundance of farm labor, relative to other resources, often has tended to reduce the incentive for making needed adjustments. In some areas, limitations imposed by topography and the lack of machinery of a size and type necessary to completely mechanize several of the major cash crops have increased the complexity of making adjustments which would increase productivity and income.

Major Areas of Low Income and Levels of Living

Problem areas in respect to the prevalence of low production farms, low farm income and resulting low levels of living are shown on the map (fig. 1). Problems of production and the range of adjustment opportunities vary considerably among these generalized areas. Differences in soil, rainfall, topography, available markets and levels of industrial development indicate the varied nature of possible adjustment opportunities.

The problem areas were delineated on the basis of three criteria, net income of full-time farmers, level of living, and size of operation. 2/ Areas having an average net income to full-time farmers of less than \$1,000, or having a level of living index in the lowest fifth of the nation or having 50 percent or more of the commercial farms classified as low production were delimited for special study. The area colored blue on the map indicates that all three

2/ The criteria by which each State economic area in the Low Income and Level of Living Areas was delineated are as follows:

1. A residual farm income to operator and family labor in 1949 of less than \$1,000 provided the State economic area had a level of living index below the average for the region and had 25 percent or more of its commercial farms classified as "low production."

Figure 1.- Low income and level of living areas in agriculture.

criteria applied and probably represents the areas of the country in which the problem is most serious and acute. Gradations in the importance of the problem are shown by red, in which any two of the criteria applied, and yellow, in which any one criterion applied.

The generalized problem areas as a group offer striking contrast to the remainder of the United States. Within these areas in 1950 there were a million farmers of working age engaged primarily in agriculture on farms producing less than \$2,500 of farm products for sale (table 2). From this income production expenses and rents as well as family living expenses had to be paid. This group comprised 40 percent of the farms in these areas. Another 40 percent of the farmers had farm sales of less than \$2,500 but were engaged primarily in nonfarm activities or were over 65 years of age. A considerable number of these farmers also had low incomes. Only a fifth of farms in these areas produced products for sale valued at \$2,500 or more.

In the remainder of the United States three-fifths of the farmers were operating farms with product sales of \$2,500 or more. Another fifth was engaged in nonfarm activity or over 65 years of age. Only a fifth, approximately half a million, were of working age and engaged primarily in agriculture on farms that produced farm products for sale valued at less than \$2,500.

The level of education among low-income farm operators is below average (table 3). In the problem areas they average only 7 years of school completed, and only 1 out of 10 is a high school graduate. By contrast, other farmers in the nation average $8\frac{1}{2}$ years of school and 1 out of every 4 is a high school graduate. The average low-income farm operator is somewhat older than other

Table 2.- Number of farms by farm sales and by age and major occupation of farm operators, generalized problem areas contrasted with the remainder of the United States, 1950

Type of farm	Generalized problem areas Thousands	Remainder of the U. S. Thousands
All farms	2,474	2,905
Farms with a value of products sold of under \$2,500	2,059	1,228
Operator over 65 or engaged primarily in nonfarm work	1,061	778
Operator under 65 and engaged primarily in agriculture 1/	2/ 998	450

1/ Excludes operators 65 years of age and older and those working off-farm 100 days or more. Excludes, also, 141,000 farms on which the operator did not work off-farm as much as 100 days but had other income exceeding sales of farm products. These were included with operators engaged primarily in non-farm work. It was presumed that most of these would not be classified as low income farm families.

2/ The number of these farms by value-of-product groups is as follows:

\$1,200 to \$2,499 - 342,000
 \$250 to \$1,199 - 425,000
 Under \$250 - 231,000

On farms with under \$250 sales, age and days of off-farm work were the only criteria applied.

Table 3.- Percentage of the rural farm population 25 years of age and over completing specified educational levels, 1950

Years of schooling	Generalized problem areas				Remainder
	Total	Serious	Substan-	Modera-	of the
	Percent	Percent	tial	te	U. S.
	Percent	Percent	Percent	Percent	Percent
Less than 8 years completed	54.8	59.3	60.0	44.6	27.4
Completing 8 years but not high school	33.4	31.0	29.8	39.6	46.2
Completing high school or more	11.8	9.7	10.2	15.8	26.4
Total	100.0	100.0	100.0	100.0	100.0

farmers. (However, 85 percent of the low-income group are under 65 years of age.) The farm population in the problem areas also differs from that of the remainder of the nation in its racial composition with one-fourth nonwhite. Elsewhere the nonwhite farm population comprises only 1/17 of the total.

Extension and technical assistance programs to improve incomes of full-time farmers will center around commercial farms. These are the farms producing a significant quantity of products for sale and representing the major occupation of the farm family. The characteristics of commercial farms in the low-income areas contrast sharply with those elsewhere in the United States. The investments in land and buildings are only about one-third those elsewhere (table 4). Cropland averages only 40 acres compared with 120 acres outside the low-income areas. Value of product studies in these areas indicate that the product added per worker is less than half that of the remainder of the United States.

Although most of the farmers in the low-income areas are owners, a significant number are croppers. These areas include 80 percent of the cropper farms. This is of primary importance in the Mississippi Delta and to a lesser extent in the Piedmont and Coastal Plains.

The inability of farmers in these generalized problem areas to take advantage of gains from mechanization is best shown by the fact that only a third of the commercial farms in these areas reported a tractor in 1949. In contrast, three-fourths of the commercial farms in the rest of the United States reported 1 or more tractors.

Table 4.- Specified characteristics, generalized problem areas compared with the remainder of the United States, 1950 ^{1/}

Item	Generalized problem areas				Remainder of U. S.
	Total	Serious	Substantial	Moderate	
Rural farm population...Thous.:	11,037	5,084	2,740	3,233	12,011
Percent of U. S. total...Pct.:	48	22	12	14	52
Nonwhite farm population...Pct.:	24	26	34	13	6
Commercial farms ^{2/} ...Thous.:	1,407	543	399	465	2,299
Percent of U. S. total...Pct.:	38	15	11	12	62
Economic classes V and VI : (\$250 to \$1,199).....Pct.:	71	81	71	58	27
Average per commercial farm:					
Land in farms.....Ac.:	138	155	118	136	360
Cropland harvested.....Ac.:	41	37	40	46	118
Value of land and buildings.....Dol.:	7,730	6,429	7,026	9,851	23,797
Value of farm products sold.....Dol.:	2,763	2,111	2,789	3,501	7,753
Percentage of commercial farms:					
Owners and part owners...Pct.:	63	63	53	72	67
All tenants.....Pct.:	37	37	46	28	31
Croppers.....Pct.:	16	14	25	10	8
Reporting a tractor.....Pct.:	34	25	30	49	59

^{1/} In process of revision.

^{2/} Commercial farms are those having sales of \$1,200 or more and in addition, farms with sales of \$250 to \$1,199 with the operator working off-farm less than 100 days and having farm sales exceeding income from other sources.

A comparison of the low income areas with the general pattern of the great soil groups in the United States indicates some interesting relationships. The three major groups found in the area are (1) the Red and Yellow Podzolic soils and their associates which dominate the southeastern part of the United States, (2) the Grey-Brown Podzolic soils in the Appalachian and Northeast, and (3) the Alluvial soils along the Mississippi River. A discussion of these soil groups is found in Appendix A.

During the past 30 years science has perhaps had more influence in raising the potential of the Podzolic soils than for those elsewhere in the country. Because of obvious institutional factors and because of the rapidity with which agricultural research and agricultural service industries have developed in these regions there is now a very large gap between present farm practices and potential farming systems for a high level of sustained production.

The serious low income areas, colored blue on the map, merit separate mention. In these areas farm production, income, and level of living all fall below minimum standards. These areas lie entirely within the South and Border South except for the area in northwestern New Mexico. They encompass the old Cotton Belt, with the exception of the fertile Mississippi Delta and sections that have switched to tobacco or peanuts or that are near large industrial centers. They also encompass most of the Appalachian and Ozark Mountains and associated plateaus. The "serious" areas are highly rural. They have a total population of $13\frac{1}{2}$ million but there is not a single city within them of as much as 150,000 people. Movement away from these areas is heavy, but families are large and the number of young people entering the labor force continues to be

In the "serious" areas are 1,100,000 farms (table 5). Half of these do not produce enough to be considered commercial farms. While many of these are dependent on off-farm income, others are subsistence units dependent largely on farm incomes. Half of the commercial farms sold less than \$1,200 worth of products in 1949. The value of land and buildings on the average farm is less than \$5,000. In 1950 only a fourth of all farms in the "serious" areas had a tractor. Many farm units are too small to use such machinery effectively. Although there are some good soils, much of the land is hilly or eroded or of poor fertility. In some areas progress is being made in agriculture and timber development but potentials are far from being realized.

Summary Description of Generalized Problem Areas

Area 1.- Appalachian Mountains, Valleys and Plateaus.

This area is comprised largely of mountainous country and dissected plateaus. Tillable land of quality is in very short supply, but the farm population is large. Until recent years substantial parts of the area have been rather isolated. Burley and dark tobacco farms are the most common commercial types, but the average tobacco allotment is very small. Livestock farms are a close second in number, followed by general farming.

Industrial employment opportunities are spotted in the area but have been good in parts of the Tennessee and Ohio River Valleys. The decline in the coal industry, especially in the Cumberland Plateau, has seriously contracted off-farm income for many small farms.

Migration of people out of most of the area has proceeded at very high rates since 1940. However, farm families continue to be large with more children

Table 5.- Number of farms and percentage of specified types with less than \$2,500 gross sales of farm products, generalized problem areas compared with the remainder of the United States, 1950 1/

Area	Farms with less than \$2,500 gross sales			
	All farms	Total number	: With operators : With operators	
			: of working age : over 65 or	
			: and primarily : dependent on	
			: dependent upon : other	
			: farming : income	
	Thousands	Thousands	Percent	Percent
Generalized problem areas	2,474.0	2,059.0	48	52
Serious	1,105.1	999.6	49	51
Substantial	619.3	502.8	53	47
Moderate	749.6	556.6	44	56
Appalachian	719.0	610.1	42	58
Southern Piedmont and Coastal Plains	604.0	493.5	51	49
Southeastern Hillly	389.0	349.1	58	42
Mississippi Delta	209.8	161.1	67	33
Sandy Coastal Plains of Arkansas, Louisiana, and Texas	185.8	159.3	42	58
Ozark-Gracilita Mountains and Border	185.3	158.3	45	55
Northern Lake States	103.0	71.5	40	60
Northwestern New Mexico	8.7	7.5	40	60
Cascade and Rocky Mountain Areas	69.5	48.6	30	70
Remainder of the United States	2,905.1	1,232.4	37	63

1/ In process of revision.

Area 2.- Southern Piedmont and Coastal Plains.

This large area extends from Central Virginia to Southeastern Louisiana, with two main divisions, the Piedmont and the Coastal Plain. The Piedmont varies from rolling to hilly and is dominated by soils that have been abused and are naturally low in plant nutrients, but which can be worked economically under good management. The Coastal Plain is much more level. Its upper portions are similar in major soil type to the Piedmont, but the lower portions are largely poorly drained sand and muck soils.

Cotton and flue-cured tobacco are the major crops in the area. Peanuts dominate smaller sections. In the last 30 years production of tobacco has expanded while cotton has contracted. The nonwhite farm population comprises nearly 40 percent of the total.

Major sections of the Piedmont have offered industrial employment, especially in textiles, but this has not been true of the Coastal Plain, except in the port areas.

Area 3.- Southeastern Hilly Area.

The Southeastern Hilly Area essentially represents the coastal plain west of the Appalachians and east of the Mississippi River. The topography ranges from prairie to low hills. Soil conditions are basically similar to those in the interior portions of Area 2. Cotton is the major source of cash income on three-fourths of the farms.

Average value of land and buildings per farm was only \$4,500 in 1950, lower than in any other area. About four-fifths of all commercial farms are in the low-production category. The availability of off-farm work has been

negligible until recent years. Forty percent of the farm population is colored. Nearly half of the commercial farmers are tenants.

Area 4.- Mississippi Delta.

The residual farm income to farmers and family labor in the flood plain of the Mississippi averages more than \$1,000, but levels of living are commonly low and more than a half of the farms are in the low production category. The area is distinctly different from other areas in that it is well-endowed with fertile soil and not subject to the ravages of erosion. The crops grown--cotton, rice, and sugar cane--are raised under the plantation type of operation, and 40 percent of the land in farms is in multiple unit operations. Seventy percent of all farmers are tenants, with 40 percent being sharecroppers. Part-time and residential farming are much less important here than in other areas.

The pull of nonfarm employment opportunities elsewhere in conjunction with labor-saving technological developments affecting cotton production have resulted in a steady decline in the number of cropper families, and has changed the status of others. The average level of education of farm adults is only 5.5 years, lower than in any other area.

Area 5.- Southwestern Sandy Coastal Plains.

The soils of the westernmost area of the old Cotton Belt were long devoted to cotton and corn, but are comparatively unproductive in those crops. Since 1930 much of the land has been removed from cultivation and livestock production has assumed major importance. The farm population has declined very

Some of the land is being reforested, and lumber products are an important part of the economy. The petroleum industry is also important, but other industrial developments are largely lacking. Thirty percent of the farm population is nonwhite.

Area 6.- Ozark-Ouachita Mountains and Border.

This highlands area has many of the physical and population characteristics of the Appalachian area (area 1). Its cash crop has been cotton, however, instead of tobacco. Less than half the land is enclosed in farms and only a fraction of that is cropland. The great majority of farmers are owners.

Dairy, livestock, and poultry products have become of increasing importance, especially in the northern portion, but nearly half the farms are residential or part-time and more than seven-tenths of the remainder are small-scale commercial. Migration away from the area has been heavy.

Area 7.- Northern Lake States.

This territory was settled substantially as a lumbering and mining area. With the gradual exhaustion of timber resources after 1900, and with the decline of certain mining areas, farming was developed. But soils are shallow and infertile, the growing season is short, and the area is not advantageously located marketwise. Consequently about half of all farms are low in production.

Through reforestation, abandonment of farming, rural zoning, and development of the resort industry, conditions have considerably improved. Dairying is the most common type of farming.

Area 8.- Northwestern New Mexico.

Northwestern New Mexico is a dry and mountainous country through which runs the Continental Divide. Most of the farms are in the Upper Rio Grande Valley east of the Divide and on the Indian reservations to the west. Only a third of the farms produce enough to be considered commercial farms. Most of the remainder are residential farms, but many of these are run by young and middle-aged operators who have less than 100 days of off-farm work. The land here is little different from other parts of the Southwest.

The majority of the farm population, especially in the Rio Grande Valley, is comprised of poorly educated, Spanish-speaking people, farming small irrigated acreages for home use. The remainder of the farm population is largely Indian, many of whom are illiterate and do not speak English. More than 90 percent of the farmers own their land. Families are large. Health conditions are poor.

The only indicator of health as a problem

Area 9.- Cascade and Northern Rocky Mountains.

This area embraces most of the land west of the Cascade Mountains in Oregon and Washington, plus northernmost portions of the Rocky Mountains in Washington and Montana. Most of the land is in forest or has been cut over. Most of the low-income farm families are on poor soil and adverse terrain.

Nearly a fourth of the farmers are 65 years old and over, a higher proportion than in any other area. Only a fourth are under 45 years, a very low proportion. Educational levels are good, higher than the national farm

Although residual farm income averages less than \$1,000, less than half of the commercial farms are low production farms. Dairying is the principal type of farming in the Cascade areas, while cattle ranches are the modal type in the Rockies section. In the western portion of the area, nonfarm population growth and industrial development have been heavy since 1940.

RESEARCH AND EXTENSION

It is recognized that no research and extension programs can be recommended which, standing alone, can promise adequate solutions to the complex problems of the low income farm areas.

Such services can, however, be vitally important to a significant, if indeterminate, number of farm families who will remain in agriculture. The principal problem faced by those farmers who desire to improve their economic position is an orderly adjustment in using and combining the resources at their command.

Agricultural research and extension activities seek to develop and disseminate information and technical assistance designed to help farm people. This assistance seeks to help farmers adjust the use of those resources which increase economic productivity and improve the level of living. In the past, nevertheless, research and extension activities have not effectively reached many of these people.

The principal reasons for this appear to be: (1) Resources available for these activities have been limited, and (2) effective solutions in this low income area are peculiarly dependent upon an integrated and coordinated attack upon all the many facets of the problem--e.g., those aspects of low income farm and home problems which are concerned with: (a) Nonfarm employment information and mobility of farm people, (b) credit and financial management, (c) industrialization in underdeveloped low income farm areas, and (d) vocational

Taken in conjunction with appropriate moves toward solution of these closely related problems, the following recommendations for research and extension activity and programs would contribute effectively to solution of the low income problems of farmers. An expansion of resources available for research, extension and technical assistance is recommended. While some modifications in current activities may be desirable, realization of the following recommendations, without impairing necessary services which relate less directly to the problems of low income farms, will require an increase over the resources now available.

Extension and Technical Assistance

Present Situation

Extension and technical assistance in production, conservation and home management practices are available in almost all low income counties. The use of these facilities by low income farmers has, however, frequently been less than that of farmers with higher incomes. The usual approaches employed in assistance programs have been to hold general meetings, provide publications and supply individual assistance when it is requested.

In general, information and assistance have been more eagerly sought by those who operate the more productive farms. The reasons for this situation appear to be: (1) The operators of larger-sized farm businesses have, in general, a higher level of formal education, and (2) such operators are more likely to have sufficient income to afford additional investment or some measure of experimentation. In most instances the personnel available to

During the past year Federal funds available for extension have been increased by about 20 percent. About 85 percent of this increase is being used in the counties for exploring or expanding farm and home planning activities. This has permitted new work in many of the low income counties. Federal funds for extension service work are allotted to States on the basis of farm population and rural population. The level of local funds available for support of extension activities is a problem in many counties having concentrations of low income farms.

Soil and water conservation districts have been organized in all low income areas. Data from the Soil Conservation Service indicate that for the United States as a whole the distribution by size of farms receiving assistance corresponds to farm size distributions reported by the census of 1950.

Recommendations

The following recommendations apply to extension and technical assistance:

1. County and community committees should be organized where there are significant numbers of low production farms. These committees should include not only farmers but also others interested in county and community development; among the latter would be representatives of public and private credit agencies, other local businesses, employment services, conservation agencies, and extension, vocational and other educational services. Such committees could help develop local action to increase farm and home efficiency and productivity.

*House ?
agencies?*

2. During the next year or so pilot extension programs should be

pilot extension programs the following merit close considerations: (a) Organization of county and community committees with a broad base of participation, (b) development and assembly of analytical or planning materials through cooperative efforts on the part of research agencies, private and public credit agencies, soil management and conservation agencies, and related services, (c) use of farm and home management specialist teams to work with individual low income farmers, (d) exploration of methods of working with groups of low income farmers on farm and home management problems, and (e) development of community programs and goals.

How about ag. migrants?

3. Increased personnel for farm and home planning and on-site technical assistance, and such changes in methods as may be needed to reach the people involved, should be employed to work with farm families in low production farm areas. The increased use, and as needed, the development of efficient cooperative and other marketing and purchasing channels should be included in this planning.

4. At the State and, perhaps, the district level it is recommended that additional personnel who are trained in production economics be employed to supply educational and advisory services concerning the efficient extension and utilization of credit on the basis of farm and home development plans.

5. The recent extension of Old Age and Survivors Insurance to self-employed farm operators and additional hired farm workers should be explained through an effective educational program to farm people in the low income areas. This work will involve effective information activities and studies of conditions facing farmers in these areas.

Old Age and Survivors Insurance is a new field for most farm people, and they will be looking to the State extension services for information about the requirements and benefits of the law. This is especially true of older persons who will be wanting to retire in the next few years. Many low income families are probably uncertain about their eligibility for social security coverage. Participation can undoubtedly be broadened if readily comprehensible information on eligibility requirements and benefits can be widely disseminated to these families.

Suggested Approaches in Pilot Counties

Any extension program for assisting the families on low production farms having full-time farming possibilities must be an integral part of the total program for the community or county in which these farms are located.

County and community program development committees should be set up to consider the total problem of a low income area, and what can be done about it. Some of their activities would include criteria for evaluating farm and nonfarm alternatives, a consideration of the desirable types and systems of farming to be encouraged in the areas that have possibilities in commercial agriculture, and a selection of families who need special assistance in the development of their individual farm programs.

Availability
of health
and educational
services

Based on this preliminary work in a county (which would, of course, include other programs concerning nonfarm employment, new market outlets, and community development in general) a special program could be organized for working intensively with interested families having opportunities for increased income through farm development.

The nature of this assistance has to do primarily with the development of resources into a well balanced business, the wise use of income in providing a satisfactory living, and the problem of financing the changes needed. It requires an intensive personalized on-the-farm type of assistance in helping each family think through and work out a plan in accordance with their own resources and their own values.

Interested families will be helped in this planning by county extension agents. They will also be helped in putting such plans into action. In counties where additional agents are being placed it would be possible to work intensively with at least 50 families a year on an individual basis, and, perhaps, more on a group basis.

To start with, some county work might be done with individual families on specific problems which affect the farm as a whole. The procedure used is essentially that of budgeting the changes likely to result in costs and returns, not only as to the item under consideration but also as to how it will affect other parts of the business. What a family learns in this way about how to budget and make decisions can be applied to any problem that comes along.

Most of the work would be done with small groups of families who enroll for a series of meetings. This would provide for discussion among the individuals on problems they have in common, and an opportunity for each family to work on a rather complete program for their own farm. Visits by the group can be made to some of the farms. Arrangements for follow-up

The unit approach to farm planning, whether conducted individually or with groups, is of particular significance to low income families who have major adjustments to make and who will need financial assistance to make them.

Research

Present Situation

Agricultural research has long been a widely accepted and approved activity of the State, local and Federal governments of this country.

In the past and at present most agricultural research effort has been directed toward solution of particular technical problems of resource use, and of crop and livestock production, and marketing. Much more limited has been research relating to: (1) Establishing whole farm units and farming systems which are technologically and economically adjusted to the changing economic environment, (2) determining the aggregate effects of widespread individual adjustments toward more productive and efficient farming, (3) the characteristics and dynamics of farm population, farm labor, and rural levels of living, and (4) the problems and opportunities of efficient extension and use of credit and of adjustments in land tenure arrangements.

These latter types of research are particularly important to low income farms. Some research of this nature is now in progress in all of the major low income and level of living areas delineated for this study.

Studies designed to establish facts concerning the combinations of resources and enterprises which are most promising of success in particular

How about migration? They too, are part of the agricultural economy.

the 9 generalized areas. In two of the areas 7 pilot research farm units have been established to test practice, enterprise and resource combinations, on a whole farm or management unit basis.

A few studies of leasing systems which are adapted to changing conditions and types of farming in particular areas are under way. Relatively little active research is in progress which relates to: (1) The efficient extension and utilization of credit, (2) the capabilities, skills, and attitudes of low income farm people, (3) desirable and effective ways of working with low income farm people, and (4) the overall or area-wide effects of attaining improved efficiency in the use of physical and human resources.

In all of these types of research, very large gaps remain to be filled.

Suggested Lines of Research

Research activities covered here are oriented toward supplying information urgently needed to carry out agricultural extension work with low income farmers. Additional specialized studies are also needed. These are discussed in connection with the sections dealing with part-time farming, industrialization, vocational training and education, and nonfarm employment and mobility of farm people.

1. Additional studies should be undertaken to establish facts concerning the combinations of resources for farm production and family living which give most promise of increasing productivity and of translating the rewards of increased productivity into better levels of living. Such studies would include:

(b) Development and analysis of data on capabilities, skills and attitudes, on health and educational facilities, and on financial and tenure situations, which affect the economic behavior and living practices of the people on low income farms.

(c) Determination and evaluation of kinds of farming systems, sizes of farming operation, and home management methods, which will provide a satisfactory income and level of living to the farm family and which are adapted to the physical and human resources that are available. Such studies would include the evaluation of income prospects in part-time farming as well as commercial farming.

An integral part of these studies should be an expanded number of pilot research farms. On such farms new or emergent practices and enterprises or combinations of practices and enterprises, both physical and managerial, can be tested in the context of a whole farm unit.

The results from such research will provide information needed by farmers, community leaders, and educational and technical workers in agriculture in planning and carrying out farm and home adjustments in the use of resources. The results also will provide facts which can serve as reliable guides to credit agencies in appraising opportunities for efficient and productive use of credit, and in setting mutually beneficial repayment schedules for farm development loans.

The research suggested requires a high degree of teamwork between specialists in the various sciences which importantly affect agriculture

How about pilot communities also?
These would serve as necessary points of view of affecting possibilities
this new industry new educational opportunities, and health services.

2. It is suggested that studies be undertaken in major low income farm areas which will establish facts concerning:

- (a) The practices and policies, including repayment terms, of lending agencies with respect to extension of production and farm development credit.
- (b) The amount of credit and the rational scheduling of its extension and repayment, which would be entailed in an orderly process of transition from typical present low income farm units to more productive units.

On the basis of facts established, suggestions should be developed for procedures and practices on the part of lenders and borrowers which will encourage mutually beneficial efficient and constructive use of non-governmental credit facilities.

3. It is recommended that research to undertaken:

- (a) To determine, for significant groups, why farm families cooperate or fail to cooperate in programs designed to help improve productivity and levels of living.
- (b) To discern possible new techniques and approaches to working with those who have not in the past been receptive.

4. Studies should be undertaken of the effects of adjustments to an efficient, higher income agriculture upon the area economy, and upon the levels of living attained by the population. Population changes, off-farm employment prospects, and marketing problems would represent an integral part

These studies will provide valuable information basic to sound area and community development. They will also provide a basis for intelligently evaluating criticisms of proposals for local agricultural development.

5. Research should be undertaken to determine equitable and reasonable leasing arrangements and provisions adapted to the altered farming systems which may evolve. An important part of this research should be the evaluation of tenure-oriented obstacles to increased incomes. As a result of lower initial capital requirements for a given size of business, it seems probable that adjustments in resource use frequently might be more practicable if some or all of the land resources used were leased by the operator.

6. Expanded production and marketing research is needed to evaluate the long and intermediate term prospects of output and demand for principal agricultural commodities for the United States and local areas. This expanded research would serve as a guide for research to determine the practicable farming systems and enterprise combinations for low income areas.

General Recommendations

1. If additional Federal funds for research and extension activities are appropriated to facilitate solutions for problems of low income farm people, it is recommended that a basis of allocation to the States be provided which will take cognizance specifically of: (a) The numbers of low income farms, and (b) the aggregate income base of each State. A part of the funds might be set up so they could be allocated directly to the States for special

2. It is suggested that the Department of Agriculture take the initiative in bringing about a national conference of leaders in agricultural education, technical assistance, credit, and research. The purpose of such a conference would be to discuss the closely interrelated interest in these fields in the problems of facilitating resource use adjustments to increase productivity and incomes on low production farms.

AGRICULTURAL SERVICES FOR PART-TIME FARMERS

The growing importance of part-time farming makes the provision of adequate agricultural services for part-time farmers an important problem. In the low income areas the problem is closely related to improvements in living and income levels. Off-farm employment is an important means by which many low income farmers can improve their circumstances. Even some farmers who have obtained such employment have a combined income from farm and nonfarm sources that is still relatively low. For these reasons, this study of low-income farmers includes a consideration of agricultural services to part-time farmers and how these services can be improved.

Under the Census definition, part-time farms are those with sales of farm products amounting to from \$250 to \$1,199 with the operator working off the farm 100 or more days or the income received by the family from off-farm sources exceeding the value of farm sales. In 1949 there was reported a total of 639,000 such part-time farms in the United States, of which 326,000 had cash family incomes of less than \$2,000. In the latter group there were 272,000 operators under 65 years of age. The scale of operations of part-time farmers may be indicated by averages of 16.2 acres of harvested crops and \$612 of farm product sales per farm.

Closely related to the part-time farming group are the residential farms. These are defined by the Census as farms with less than \$250 sales of farm products. Such farms averaged only 6.1 acres of cropland harvested and \$82 of sales per farm. Many residential farmers may be interested in expanding

Many of the recommendations dealing generally with low-income farm people apply also to present and prospective part-time farmers. Attention is directed particularly to the reports of the task forces on Industrialization in Underdeveloped Areas, Vocational Training, and Welfare Considerations. *where in it?* This Task Force (Agricultural Services for Part-Time Farmers) concerned itself primarily with recommendations dealing with problems applying specifically to part-time farmers. These recommendations relating to part-time farmers involve (1) specially adapted extension programs, (2) improvements in credit service, (3) improving the off-farm work opportunities in private and public timberland, and (4) needed research.

In making these suggestions it is recognized, of course, that many of them are already being carried out in some degree in some States. It is felt, however, that some of the low-income areas where the need is greatest have been less able financially to initiate programs to work effectively with part-time farmers.

Extension programs for part-time farmers.-- The needs of these people for help from the Extension Service are many and varied. For some, information about the home and the production of the family food supply may be sufficient. Others will need help in the planning and management of their farm, to make it a more profitable business. The emphasis given to making the farm more profitable varies somewhat inversely with the number of days the farm operator does off-farm work. At present, boys and girls in many of these

For Extension to provide the help that part-time farmers need, the following points require careful consideration:

1. A clear understanding by all extension workers (county, State, and Federal) as to their potential clientele--the groups they should be working with in the counties. The part-time farmer would be among these groups.

*How about
the age
neglect?*

2. Inclusion of part-time farmers on the county extension advisory committees. Such representation would aid in the organization, planning, and conduct of a county extension program to better meet the needs of these people.

3. Determination of extension problems in providing essential service and effective ways of working with the part-time farmer.

4. Need for increased county and State staffs to care for the additional work-load without lessening the effectiveness of present work. This may call for retraining some of the present staff and the hiring of new workers having a background of training and experience different from that of the present extension worker.

Credit.— The principal credit problems of part-time farmers appear to be in the field of long-term financing. In view of the comparatively small size of the farm units, the credit requirements generally are smaller for non-real estate than for real estate. Non-real estate credit is furnished principally by banks, production credit associations, and some other lenders. To the extent that these sources are not adequate for the short- and inter-

Credit for housing and other real estate financing is less satisfactory. Some is available from insurance companies and the Federal land banks. Federal land bank loans, however, are limited by the requirement in the law that consideration can be given in the appraisal to the normal income from the farm only. This leaves little opportunity to recognize in the appraisal and the amount of the loan, the home value of the farm and the repayment capacity represented by the outside income. There is under discussion in the Federal Land Bank System and the Farm Credit Administration a proposed amendment to the Farm Loan Act which would make it possible to broaden the bases on which loans to part-time farmers might be made. The amendment would permit the appraisal to recognize the home advantages and the availability to a typical operator of earnings from dependable sources off the farm. The support of such legislation is recommended.

Increasing timber-cutting possibilities for part-time farmers. - A considerable number of the low-income part-time farmers are located in marginal farm areas which are more suitable for growing trees than row crops. In such areas, off-farm earnings from timber cutting on privately-owned timber land can be increased by improved forest management. To this end increased attention should be given to: (1) forestry extension with both owners and workers, (2) improved forest credit, (3) more adequate State regulatory laws, and (4) public acquisition where effective management cannot be achieved under private ownership. Opportunities for off-farm earnings in public forests can be increased by: (1) Adjusting policy to encourage small sales and (2)

How about
credit for
housing
for
timber
workers?

Needed Research.- To formulate effectively programs to assist low-income part-time farm families, research is needed to discover the basic problems. Aspects of the problem on which more information is needed would include: The number and types of families represented and their geographic concentrations; their occupations, skills, attitudes and capabilities; prospective changes in off-farm employment opportunities; the level and stability of incomes in part-time farming; industries adapted to using local labor and other resources, and the types of organization of farm business best adapted to the working hours of off-farm employment.

*info leading
to
research
social
etc.*

Other questions that need to be answered are: Is part-time farming a transitory step to full-time farming or to nonfarm migration, or is it a fairly permanent way of life for those so engaged? Has the increase in part-time farming resulted largely from a tendency for urban workers to buy rural homes and supplement their incomes by farming, or does it stem from small farm families taking advantage of increased alternative opportunities? How do the credit requirements of part-time farmers differ from those of full-time farmers and how adequate are present credit facilities in meeting the need? To what extent are labor-saving capital expenditures on the farm economically feasible when considered in the light of alternative employment of family members? What are the problems in land use, community organization, roads and related facilities in urban fringe areas?

*Schools
hospitals*

CREDIT AND FINANCIAL MANAGEMENT

Low incomes among farmers are in large part traceable directly to lack of resources. Yet, in many instances sufficient resources could be added to provide the basis for stable efficient operations.

Capital for supplying these needed resources is usually not available within the monetary reserves of low income farmers. It must be supplied through credit. Such credit, to be effective, should be supported by management guidance and educational and technical assistance as needed.

Commercial banks and cooperative credit institutions are showing an increasing awareness of the resource needs of low income farmers. There is a growing tendency for some banks to make intermediate-term loans and some banks are adding agricultural specialists to their staffs. Meanwhile, the Farmers Home Administration, within the limits of available funds, is making loans for farm enlargement and development and for otherwise assisting in the adjustment to efficient types of farming.

Despite the progress made by Government and private lending institutions, a more organized and coordinated approach on the part of these institutions is needed. Toward this end the following recommendations are made:

1. More fully utilize private and cooperative credit sources.
2. Increase the supply of intermediate-term credit.
3. Continue and strengthen existing governmental credit services,
as needed.

The following are summary descriptions of these recommendations:

1. More fully utilize private and cooperative credit sources.- A

concerted and organized effort should be made to encourage private and cooperative lenders to make more loans to enlarge, develop, stock and equip presently inadequate farms.

A. An educational program directed toward this end is of utmost importance and might include:

Preparation of publications designed to point out the contribution that local banks and cooperative credit agencies can make. Publications should make clear the benefits accruing to the community from loans which will help low income farmers operate in a stable, efficient manner.

Courses, demonstrations, and instructional meetings in which personnel of agricultural lending agencies and farmers are given latest information on improved practices and techniques, on the cost and returns of enterprises, and on the appropriate use of credit in improving farming systems.

Joint meetings of farmers and lenders to discuss common problems.

B. Increased use of agricultural specialists should be promoted.

Study should be made and information supplied to bankers concerning the advantages of employing full-time agricultural representatives. These representatives would handle agricultural credit work, provide basic farm plan information in evaluating income potentialities, and give needed management guidance to borrowers. Cooperative arrangements should be worked out whereby commercial banks and

cooperative lending institutions can utilize the farm planning and farm practice guidance assistance of the Extension Service. Extension Agents, vocational teachers and others should give increased attention to helping low income farm families make sound use of their capital resources, including credit.

2. Increase the supply of intermediate-term credit.- The present supply of credit calling for intermediate periods of repayment is not satisfactory. The renewal policy of commercial banks and production credit associations is adequately supplying the need of many farmers for intermediate-term credit, but this system does not fill the needs of many low income farmers. Working capital loans for the purchase of equipment, productive livestock, or for other costs involved in making basic changes in farming enterprises cannot be repaid in one year. Increased returns from the capital purchase are not sufficient to retire the loan in a short period of time. In many instances among low income farmers, the financing of necessary adjustments must be carefully done on the basis of well-considered farm plans. It is often impossible for these farm plans to provide for complete repayment within less than five to seven years. It is inconsistent with the principles of good financial management to require that farmers sign notes with maturity dates which they know they cannot meet.

Recent policy decisions in the Farm Credit Administration are a commendable step toward remedying this situation. The production credit associations have been authorized to make loans for capital purposes with terms up to three years on an experimental basis. The Federal intermediate credit banks likewise have been authorized to discount such experimental notes. Three

will be observed with a great deal of interest. Similar steps by commercial banks and other lenders should be encouraged.

3. Continue and strengthen existing Government credit services as needed.- With appropriate policies of encouragement, commercial and cooperative lending institutions can increase the availability of loans to present low income farmers. This increase would come in part from a better recognition of the community service which can be performed through loans of this type, and in part from an expansion and greater acceptance of intermediate credit.

Despite this increase in loans by commercial and cooperative lending institutions to low income farmers, substantial numbers of farmers with worthy character and ability and with access to adequate land resources will be unable to meet the security and repayment requirements. Through the use of a carefully planned and conservatively executed credit program, supported by management and technical guidance as needed, the low income situation for many of these farmers can be alleviated. Little risk, beyond that normally taken by most lending institutions, is involved. Additional risk will be involved, however, if the program is of sufficient size to reach a major portion of those farmers who have access to adequate land resources but whose income is low because of lack of working capital or capital needed for farm development. The risk of losses from misfortunes or price difficulties is increased by low security ratios and repayment requirements which leave little margin after expected expenses are subtracted from projected income.

Experience of the Farmers Home Administration since 1946, however, indicates that the losses from this type of operation need not be high. Table 6 presents in summary the results of the Farmers Home Administration's activities

ate, Farmers Home Administration,
 re 30, 1954

ippi	Alabama	Georgia	South Carolina	Tennessee	Kentucky	West Virginia
800	7,479	6,318	2,084	2,309	2,185	1,125
635	20,194	24,903	45,853	10,355	12,605	1,121
435	27,673	31,221	57,937	12,604	15,775	5,355
039	21,075	24,562	38,443	8,883	10,361	1,125
141	4,253	3,504	5,238	2,963	3,936	1,125
454	1,936	2,018	2,554	633	331	1,125
801	409	1,137	1,702	185	142	1,125
104	25,186,133	29,892,625	26,814,107	13,083,866	15,052,359	5,283,125
273	18,440,525	21,945,235	21,146,271	9,067,161	9,882,923	2,534,000
865	17,310,769	20,335,480	19,798,584	8,595,024	9,200,235	2,455,050
890	1,018,185	1,186,440	884,394	741,829	931,200	322,000
92.7	93.9	92.7	93.6	94.8	93.1	96.1
060	2,041	2,793	3,123	1,733	1,805	1,841
050	2,970	3,661	3,417	2,588	3,110	3,216
240	1,214	1,731	2,063	1,124	1,229	1,041
971	1,766	2,117	2,179	1,603	2,190	7,011
657	3,791	4,066	4,209	1,057	3,598	4,163
791	5,050	6,039	5,281	6,776	6,335	5,752

Alabama 2.4, Georgia 3.1, South Carolina 1.6, Tennessee 4.2, Kentucky

since its creation in August 1946 in those States where low farm income is most acute. Net total income of all farmers during the period 1946-1954 has varied from \$18.9 billion in 1948 downward to \$14.6 billion in 1953. In 1946 net total income was \$15.7 billion.

A number of means could be used in operating a program, such as that of the Farmers Home Administration, which would tend to reduce the risk of losses. If some of these means were adopted, however, the result would be a decrease in the assistance that could be given for the alleviation of low incomes in agriculture. Loans could be restricted to 90 percent or a lower percent of the appraised value of the security. This would decrease risks from decline in prices or lessening of overall economic activity, but the number of families who could be assisted would be reduced.

It would seem that the criteria used by the Farmers Home Administration in determining the suitability of applicants have much merit. These criteria are that the farmer has access to sufficient land resources to provide for an efficient farm organization, be of sound character, and possess reasonable agricultural skill.

A. The Farmers Home Administration services.

Through exercise of recently authorized administrative action with regard to interest rates, sufficient funds from private lenders for insured long-term loans should become available to accelerate the farm enlargement and development loan programs. These funds will also be available for housing and building improvement loans to

any
Possibility
offering
sing

to basic legislation, direct and insured loans for water facilities and soil conservation loans of intermediate length will be available throughout the Nation. If these programs develop as hoped, availability of funds should not be a limiting factor in these activities.

Loan funds are a limiting factor in the case of production loans for the purchase of basic livestock, equipment, fertilizer, seed and other items. These items are needed by potentially efficient farmers in making changes to efficient stable operations. For years, applications for loans of this type have been between two and three times the number of loans that could be made from available funds. As alternatives to larger authorizations to borrow funds for production loans from the Treasury, the following are suggested:

(1) Expansion of insured loan provisions.

The use of insured provisions for making loans now authorized for farm purchase, enlargement and development and for water facilities and soil conservation loans could be expanded to cover loans for purchase of livestock, equipment, fertilizer, feed, seed, etc.

(2) Financing through sale of debentures.

A system of financing through sale of debentures could be established. This could consist of a system whereby bonds secured by mortgages and guaranteed by the Government would be issued for sale to the public. A system of this kind could be established through a reactivation of the Federal

B. Rural Electrification Cooperatives Credit Services.

These services should be continued and improved in order to assure that farmers can make full, efficient use of electric power in their farming operations.

NONFARM EMPLOYMENT INFORMATION AND MOBILITY OF FARM PEOPLE

A consideration of the problems of low-income farm people must recognize that for many decades more children have been born on the farms than could be absorbed into the agricultural economy. The problem of vocational placement for farm youth who are not needed in agriculture has become more acute in recent years; increased productivity per worker and changes in land use have permitted a substantial drop in the size of the agricultural labor force. A program to raise the income level of low-income farm families must anticipate a continuing large-scale movement of farm people into nonagricultural industries, whether this movement is combined with part-time farming or is in the form of permanent nonfarm residence.

Migration from farms.- Migration from farms resulted in a net transfer to nonfarm areas of 6 million persons in the 1920's, 3.5 million in the 1930's, and nearly 9 million in the 1940's. Since 1950, in spite of a high rate of natural increase, migration has reduced the farm population from 25 million to less than 22 million. During the 1950-60 decade, at least one-fourth of the young men reaching working age on farms will be in excess of needs for replacement of older men who die or retire. A map is included in the Appendix to show the replacement rates of rural-farm males of working age by areas; these rates indicate where migration from farms is needed to prevent an increase of underemployment.

Areas not well suited to continuous cultivation.- Special problems

susceptibility to water or wind erosion, or other reasons. Farm families on such lands have a difficult and often hopeless financial struggle. Involved are families of locally resident hired farm workers as well as families of farm operators. The situation of these families would be improved if they were able to relocate either on better lands or closer to other sources of employment. Lands they now occupy would be better used if devoted to forestry, grazing, watershed protection, wildlife and recreation or similar uses.

Rural zoning has been found a useful aid toward solution of this problem, particularly when coupled with (1) tax incentives and State assistance to encourage forestry, (2) public acquisition of farm holdings in areas zoned against further agricultural settlement, and (3) a program of encouraging the farm families involved to seek better opportunities elsewhere.

Objectives similar to those achieved through rural zoning and related measures have also been attained through public acquisition and management. State forests, parks, and wildlife refuges; county or community forest reserves; municipal recreational and watershed protection areas; and National Forests and Parks and publicly owned grazing lands are examples.

Program of the Employment Service.-- The problems of underemployment and low income in areas of pressure of population on agricultural resources can be alleviated by programs to stimulate and facilitate migration. The Bureau of Employment Security, as a part of its regular program, has a continuing responsibility for facilitating the employment process, although it has no special program for providing information on nonfarm employment opportunities to farm

The Bureau operates through 1,700 local offices in affiliated State employment agencies. Its methods and programs have been adapted to many different labor market situations in the 21 years since its establishment. Moreover, programs of the Bureau, and those of affiliated State agencies, are tailored locally to fit varying situations in the same period of time. The basic recruitment and placement process of the Employment Service is done in the local office through its knowledge of labor market conditions and worker skills in the community. Where necessary, intensive recruitment devices are used. When job openings are not successfully filled by these efforts, they are "cleared" to other offices within the State and to other States. Inventories of job openings are published periodically in each State and circulated to other States as part of the clearance process. At present, 150 of the major industrial areas are classified bimonthly by the Bureau in terms of the adequacy of their local labor supply.

During World War II the Employment Service was instrumental, in many notable instances, in moving large numbers of rural people into rural industries, particularly canning. Experience in these special recruitment campaigns indicates that successful campaigns were those in which the rural population was willing to accept nonfarm employment. Where transportation costs and guarantees of employment were offered, workers responded favorably. Deterrents to successful recruitment were division of responsibility between agencies, certain restrictive legislation, and some unreasonable contractual provisions ? applying to seasonal farm workers.

Recommendations

In periods of favorable economic conditions, the movement of rural underemployed to centers of industrial employment can be facilitated by reliable labor market information concerning the areas of opportunity, expanding industries, and occupational outlook. The Federal-State Employment Service gathers and disseminates such information. To gear present activities to the special problems of underemployed rural workers and to develop new programs directed toward the same end, the following recommendations are made:

1. Endeavor to familiarize rural people with the facilities of the Employment Service. At present farm workers usually find employment through personal contacts with friends or relatives. They do not fully utilize the services available through the public employment offices for providing information on both farm and nonfarm job opportunities.
2. Enlist the farm press, radio programs, and other basic information media to "beam" job information to rural areas. Public service announcements in selected areas can be effective if they include specific job information.
3. Provide voluntary registration of underemployed rural persons available for nonlocal employment so that job information can be pinpointed to those individuals most likely to take advantage of it.
4. Encourage the State employment agencies to study the needs for employment services in rural areas with a view toward (a) extending present facilities to meet those needs or (b) the relocation of employment offices, if necessary, to facilitate the dissemination of information through direct contact.

5. Establish criteria for identifying areas of rural population pressures. Then conduct surveys to determine the characteristics of the rural-farm population, skills of workers, availability for nonlocal employment, and problems to be overcome if the mobility of the group is to be achieved.

6. Match areas of rural underemployment with presently classified industrial areas to encourage selective migration to areas of need in the same general region.

7. Extend the present classification of labor market areas to small metropolitan areas and to nonmetropolitan areas. Analyze additional smaller cities to discover expanding industrial situations and occupational trends in urban centers close to areas of underemployed rural manpower.

8. When areas not suited to continuous cultivation have been identified, and relocation of surplus workers to more productive areas is desired, it is recommended that the Employment Service help develop special adaptations of its programs.

9. In connection with positive recruitment programs leading toward permanent location, it is essential that financial assistance be made available to cover the transition period. In this connection, the credit facilities of the Farmers Home Administration would facilitate the effective operation of the program.

10. Where farm families are attempting to farm lands unsuited to

attention to rural zoning, public acquisition, and related measures. The State Agricultural Experiment Stations should take leadership in making the necessary studies and indicating desirable lines of action. The State Agricultural Extension Services should take leadership in working with the local people to design and make effective a program of action based on this research. In programs so developed, attention should be given to ways and means for assisting affected farm families to move to better locations; for providing financial assistance to encourage desirable shifts in land use; and for encouraging the best uses of evacuated lands. Public acquisition and management of such lands for forests, parks, wildlife, recreation and watershed protection should be given careful consideration; great care should be exercised in disposal of such lands now in public ownership to avoid increasing the problem areas.

Agencies of the U. S. Department of Agriculture, particularly the Office of Information, Farmers Home Administration, the Federal-State Cooperative Extension Service, Forest Service, Agricultural Research Service, and Agricultural Marketing Service can contribute to these recommended activities through regular and special programs and, where applicable, through their county organizations and advisory groups. To promote the Department's policy for improved utilization of underemployed manpower in low-income farm families, Department agencies, employees, and advisers at local, State, and national levels can be helpful in publicizing the desirability of selective migration.

INDUSTRIALIZATION IN UNDERDEVELOPED LOW-INCOME FARM AREAS

There is opportunity for industrial development in a number of rural areas where lack of full or productive employment has resulted in low incomes of many farm families. New industry is especially feasible in those areas where the available labor is accompanied by available raw materials and adequate power at low cost. However, where the required conditions, such as a market of minimum size, are not met, industrialization is not an acceptable solution to underemployment.

In many suitable low-income areas, industrial development can serve as a dynamic factor in bringing about local readjustment at a minimum of human and social cost and of public intervention. In a significant, though limited, number of local areas during the last 10-20 years industrialization has materially raised the level of productivity.

Frequently, industrial development for an area is thought of as luring a single or a few large factories that immediately absorb all underemployed labor. Far more often, industrial growth is to be viewed as a comprehensive and progressive development of all resources in an area. This includes enhancement of natural resources--agriculture, forests, minerals, power; and improvement of labor resources through vocational training.

Recommendations

Suggestions and recommendations include the following:

1. State and local assistance in leadership and counseling for devel-

valuable leadership service. It could work in cooperation with the State colleges and experiment stations, the U. S. Department of Commerce, the Rural Electrification Administration, State Industrial Development Boards, representatives of utilities and railroads, local chambers of commerce, and local farm organizations.

In the past new industries came into some regions without benefit of much local effort. In others, local action played a considerable part. Methods followed were usually either (a) economic assistance, or (b) publicity and promotion. An example of the first is the Mississippi program for giving tax concessions to new industries as a means of attracting them to the State.

Local promotion involves many activities. Perhaps the biggest task is to appraise accurately the local resources, both physical and human. It is necessary to reach judgment also on the kinds of industries that will be most likely to succeed. For both, results of research need to be drawn upon. (See recommendation 3 below.) For the task of mobilizing local interest in self-appraisal and effort for industrial development, the Industrial Development Boards, local organizations, and others listed above, can give much assistance. In areas having rural electric cooperative power the Rural Electrification Administration can help to encourage and service the establishment of new industries. Another means to greater industrial activity is through increasing the productiveness of agriculture in the areas of rural underemployment. Apart from its benefit in a greater agricultural income, this sometimes makes a larger volume of farm products available for local

Table 7 shows how funds are allocated to the State Boards of Education on a matching basis according to the present rural-urban and farm-nonfarm distribution of the population.

Expenditures for Vocational Training and Guidance

The Smith-Hughes Act appropriates \$7,285,000 annually for vocational education; the George-Barden Act authorizes the appropriation of an additional \$28,500,000 for vocational education. Expenditures for vocational guidance totaled \$1,530,761 for the United States in 1953, of which \$392,438 were Federal funds.

Actual Federal, State, and local expenditures for vocational training in the United States in 1953 totaled almost \$150,000,000. The proportion of Federal funds averaged about 18 percent both for the United States as a whole and for the low-income southern States. The proportion of Federal funds for the low-income southern States varies from 13 percent to 30 percent (table 8).

For the United States as a whole, expenditures are roughly equally distributed among the four major types of vocational training. In the low-income southern States the proportion of funds expended on vocational agriculture and home economic training is much greater than that spent on trades and industry and particularly on distributive occupations (table 8).

According to table 9 the distribution of funds for the four types of vocational training is about the same for the total of the low-income southern States, as for the United States. In general the percent of Federal funds allocated for agriculture and trade and industry is greater than the percent

Table 8.- Expenditures for vocational training for the United States and low income southern States, fiscal year ending June 30, 1953

State	Total expendi- tures	Federal expendi- tures	Vocational agricul- ture	Vocational home economics	Vocational trades and industry	Vocational distribu- tive occupa- tions
	Thousand dollars	Percent	Thousand dollars	Thousand dollars	Thousand dollars	Thousand dollars
Total United States	145,951	17.4	47,490	43,114	50,507	4,839
Total low income southern States	39,864	18.5	18,076	13,829	6,856	1,104
Alabama	3,101	21.6	1,327	944	743	88
Arkansas	2,705	18.2	1,290	1,056	290	68
Georgia	5,052	14.3	2,319	2,002	589	142
Kentucky	2,190	31.1	1,029	729	384	48
Louisiana	3,748	13.1	1,698	1,420	524	107
Mississippi	2,900	21.2	1,436	1,013	396	55
Missouri	3,145	22.1	1,147	1,022	819	157
North Carolina	5,278	18.2	2,726	1,867	564	121
Oklahoma	3,612	12.2	1,840	1,003	653	117
South Carolina	2,895	17.0	1,323	991	505	75
Tennessee	3,536	20.2	1,411	1,273	769	83
West Virginia	1,702	24.3	530	509	620	43

Source: Digest of Annual Reports of State Boards for Vocational Education to the Office of Education, Division of Vocational Education, U. S. Dept. of Health, Education, and Welfare, June 30, 1953.

Table 9.- Percent of Federal to total Federal, State and local expenditures by type of vocational training for the United States and low income southern States, fiscal year ending June 30, 1953

State	Vocational agriculture	Vocational home economics	Vocational trade and industry	Vocational distributive occupations
	Percent	Percent	Percent	Percent
Total United States	21.3	14.6	17.0	8.5
Total low-income southern States	21.6	14.0	21.0	9.4
Alabama	27.2	18.6	16.9	9.9
Arkansas	22.6	12.1	21.9	12.6
Georgia	16.0	9.6	25.0	6.1
Kentucky	36.1	25.2	30.6	18.0
Louisiana	13.3	8.4	26.2	8.1
Mississippi	26.9	15.1	16.6	15.7
Missouri	28.5	16.2	23.7	5.5
North Carolina	19.3	14.1	28.4	7.2
Oklahoma	11.6	10.7	16.7	7.4
South Carolina	20.2	13.2	17.0	11.5
Tennessee	27.1	14.2	18.7	10.4
West Virginia	35.0	25.3	14.8	20.1

Source: See table 7.

For the fiscal year 1955 a total of \$30,637,000 Federal funds has been allotted for vocational training in the United States. Of this, \$11,685,000 is for agriculture, \$6,940,000 for home economics under the George-Barden Act, \$6,988,000 for trades and industry under the George-Barden Act, \$3,034,000 for trades and industry and home economics under the Smith-Hughes Act, \$900,000 for distributive occupations and \$1,089,000 for teacher training.

Recent Developments in Vocational Training

The history of vocational education in the United States has shown a vigorous growth and development over the years and adaptation to changing economic and social conditions. From a modest enrollment in 1918 of 164,000 in all types of vocational education programs including the part-time and the full-time, enrollment has increased year by year. By 1946 when the George-Barden Act permitted a further strengthening of the program, enrollment passed the two million mark. Total enrollment in 1953 was 3.1 million. Each of the major programs--agriculture, home economics, trades and industry and the distributive occupations--has likewise seen a consistent growth in enrollment and in the total funds expended for these vocational programs. Training in the distributive occupations has a more recent history, since this program dates back to only about 1938 and is even at the present time limited to part-time and evening classes for persons engaged in distributive occupations.

Current developments in vocational training and guidance suggest possible directions of further improvement. In order to offer a greater diversity of vocational training, a few States are setting up area vocational schools and vocational training in community colleges covering a wider territory than vocational training in community colleges.

A limited number of rural youth have been enrolled in apprenticeship programs. Training for practical nurses is being stressed. Young farmer classes and farm mechanics programs help youth who remain on the farm. A specialist in farm mechanics of the United States Office of Education has conducted conferences and workshops for the improvement of instruction in farm mechanics in Alabama, Arkansas, Louisiana, Mississippi, and South Carolina. The training of rural electrification workers has been given special attention.

Secondary education curricula are being improved and broadened. Workshops have been held for the development of broadened programs in the curricula of secondary schools. 3/

The most recent effort to strengthen and improve the Federal-State Cooperative Program of Vocational Education was embodied in a Bill introduced in the Senate in April 1954 by Senator Smith of New Jersey (S-3271). This Bill had the support of the Administration. Under the provisions of this Bill State Boards of Education would have greater flexibility than under existing legislation in allocating Federal funds to the various types of vocational training and guidance.

The proposed Act would authorize appropriation of up to \$36,000,000 annually, beginning with the fiscal year ending June 30, 1956. General funds for vocational training would be allotted on a matching basis among the several States according to the Hill-Burton formula, used in apportioning Federal-aid hospital funds. The allotment of a State would be directly

proportional to its total population and inversely proportional to its per capita income in relation to the per capita income of the United States. 4/ Any State would receive at least \$100,000.

In addition this Bill would enable the Commissioner of Education to authorize special grants to assist States in "initiating projects for the extension and improvement of vocational education" and in the "carrying out of special projects which hold unique promise of making a substantial contribution to the solution of vocational education problems common to a number of States, and in meeting problems of special national significance or concern."

Availability of and Participation in Vocational Training and Guidance Facilities.

Concrete, systematic studies are lacking of the availability of and participation on the part of farm youths and adults in vocational training and guidance facilities, particularly for nonfarm skills.

Existing studies and literature stress vocational agricultural training for farming as a profession. Such studies are usually theses or educational reports evaluating a vocational agricultural program in a specific area from the point of view of an educational specialist. Generalizations cannot usually be drawn from these studies to the overall problem of increasing agricultural and nonagricultural vocational training facilities in low income rural areas.

In low-income southern States vocational agriculture facilities in some areas are inadequate for the youths who will remain on the farm. Despite the preponderance of farming in these States, the percent of high school age youth enrolled in all-day vocational agriculture classes is less than for the total United States, according to table 10.

4/ The allotment for a State is the product of (1) the population of the

Table 10.- Enrollment of farm youths in vocational agriculture classes for the United States and low-income southern States, 1950 ^{1/}

State	Male farm population age 14-17	Percent enrolled in all-day vocational agriculture classes
	Thousands	Percent
Total United States	998	40.6
Total low-income southern States	487	35.1
Alabama	49	27.4
Arkansas	37	42.2
Georgia	48	36.0
Kentucky	46	23.5
Louisiana	27	44.6
Mississippi	51	25.7
Missouri	35	30.9
North Carolina	67	39.4
Oklahoma	26	49.8
South Carolina	35	31.5
Tennessee	46	47.9
West Virginia	20	26.5

^{1/} Data on youths 14-17 living on farms from the 1950 Census of Population and data on enrollment in vocational agriculture from Office of Education, HEW. Figures on enrollment relate to the fiscal year ending June 30, 1951.

In only 6 out of 51 Mississippi counties did vocational agriculture in 1940 reach 6 percent or more of the Negro farm population. 5/ In Georgia a majority of Negro youths desired to enroll in vocational agriculture, if available, and adult farmers desired evening vocational agriculture classes. 6/ Negro high schools in Texas lacked vocational training in commercial and trade skills. 7/

The basic assumption underlying the many studies dealing with specific educational problems has been that vocational agricultural training for full-time farm occupations should be expanded. Inadequate consideration has been given to limitations of employment opportunities in agriculture. Little consideration is given to preparing farm youths for nonfarm occupations. Insufficient attention is given to integrating into vocational agricultural training skills essential to nonfarm and part-time farm pursuits. As early as 1941 reports of the State Agricultural Planning Committees to the U. S. Department of Agriculture called for area vocational schools to provide non-agricultural training in rural service trades and occupations for the increasing proportion of youth who would enter nonfarm occupations. 8/

5/ Fobbs, Allen D. Availability of Vocational Education in Agriculture for Negroes in Mississippi. U.S. 1942. Iowa State College, Library. 84 p. 842 is abstract number in U. S. Office of Education, Summaries of Studies in Agricultural Education, 1941-1954.

6/ Long, Willis A. The Need for Vocational Agriculture in the Negro High Schools of Dougherty County, Georgia. U.S. 1953. Penn. State College Library, 37 p. (1175).

7/ Bryant, Ira B. Vocational Education for Negro Youth in Texas, Monthly Labor Review 68, p. 544, May 1949.

8/ U. S. Office of Education, Information and Recommendations on Vocational Education in the Public Schools in Rural Communities, 1941.

All follow-up studies of former students in vocational agricultural programs show that the majority do not become farmers. Yet very few studies deal specifically with increasing vocational training and guidance facilities for these rural youth who will not enter farming.

Follow-up studies of vocational agricultural students in a number of States show that from one-half to three-quarters of the students take up occupations other than agriculture. According to scattered studies, the proportion of vocational agriculture students who take up nonfarm occupations is:

About 56 percent Alabama (1952) 9/, Louisiana (1949) 10/, New York (1951) 11/, 72 percent New York (1948) 12/, and 60 percent Texas (1951) 13/. Davitte (1951) 14/ found in Georgia a shifting of graduates from initial nonfarm manual work and some clerical work back to farm work. In Vermont

9/ Adderhold, Glenn. The Occupational Status of Former Students of Voc. Agr. at Tanner High School. U.S. 1952. Ala. Polytechnic Institute, Library 38 p. (1690)*

*Refers to number in Summaries of Studies in Agri. Education.

10/ Welborn, Henderson B. The Occupational Status of Former Vocational Agriculture Graduates of the Merryville High School from 1918 to 1948. U.S., 1949. La. State Univ., Library, 34 p. (1307)

11/ Ketcham, Harry M. A Study of the Education and Occupations of Former Vocational Agricultural Students in the Greenville Central Rural School 1932 to 1950. U.S. 1951, Dept. of Rural Educ., Cornell Univ. 57 p. (1167).

12/ Theodorou, Nicholas T. A Study of Former Students of Vocational Agriculture in the Watkins Glen Area, Cornell Univ. Agri. Expt. Sta. Bul. 848, Nov. 1948. The best study.

13/ Colwell, Clifford. A Study of the Present Occupations of the Students Who Took Vocational Agriculture in the Madisonville High School from 1930 to 1950. M.A. 1951. Sam Houston State Teachers College, Texas, 87 p.

14/ Davitte, John C. A Study of Occupations Engaged in by Drop-Outs and Graduates in Rockmart High School, Georgia, 1938-1946, Who Were Enrolled in Voc. Agr. for One or More Years. M. Ed., 1951, Dept. of Agri. Educ., Univ.

(Cushman, 1949) 15/ former vocational agriculture pupils entered major occupational groups in about the same ratio as the total adult male Vermont labor force.

In one of the more comprehensive follow-up studies, Theodorou 16/ found in a New York area that 93 percent of the former vocational agriculture students who went into farming had opportunities for farming on their own farms in contrast to only 51 percent of those who went into nonfarm occupations. Sixty-two percent of those in nonfarm occupations did not feel that their vocational agriculture training had helped them in their present occupations. The remainder reported only slight help. About three-fourths of these both on farm and nonfarm occupations expressed a desire for additional training with respect to their present vocations and present way of living. Need was expressed for expansion of vocational training in nonagricultural subjects such as mechanics and shop, accounting, industrial education and trades.

Recommendations in the New York study reported by Theodorou called for more balanced general education and guidance programs with special emphasis upon the qualifications necessary to farming. An increase in work experience, supervised programs and individualized instruction was called for. Area vocational schools were suggested.

15/ Cushman, Harold R. In What Occupations Do Vermont Junior-Senior High School Boys Need Pre-Vocational Experiences? M.A. Thesis, 1949. Univ. of Vermont Library. 81 pp. (1059).

16/ Theodorou, Nicholas T. A Study of Former Students of Vocational Agriculture in the United States (1959). Univ. of Vermont Library. 100 pp. (1059).

An occupational follow-up study in Tennessee 17/ likewise shows a need for (1) training in fundamental skills and concepts adaptable to a wide variety of jobs in a given occupational area, (2) occupational orientation courses, (3) training for major occupation within a 75 mile radius of local high schools, (4) out-of-school vocational classes, and (5) in-service training classes. In another study 18/ Tennessee youth stressed the need for more adequate vocational courses and vocational guidance for both in-school and out-of-school rural youth.

Recommendations

A concerted, cooperative effort is needed to develop more effective vocational training and guidance programs for rural youth. Local, State and Federal governments should work with public leaders in education, business, industry, labor and agriculture to this end. Efforts should be directed especially toward low income farm areas, with action proceeding simultaneously along several fronts. To achieve these broad goals, the following recommendations are made:

1. The Department of Agriculture in cooperation with other governmental agencies should undertake several pilot studies in areas of concentrated underemployment to secure the basic information on the needs for vocational training of youths and young adults in low income farm families. The studies should assess the resources available for meeting these needs.

17/ Knight, Ewart Broughton. Occupations Followed by Rural Young People Who Formerly Attended Tenn. High Schools. Nonthesis Study, 1945, Agri. Education Dept., Univ. of Tenn. 25 p. (898).

These studies would help provide the facts essential to the planning of appropriate programs of action. Among the facts that need to be developed is the extent to which youths in underemployed farm-operator families have access to and utilize facilities in the public school system for vocational training in nonfarm skills.

2. The Department of Agriculture should cooperate with other agencies in promoting the establishment of several experimental and demonstration vocational training programs.

These demonstration centers would aim to develop techniques for vocational counselling and guidance, aptitude testing, and special instructional aids adapted to the background and orientation of rural youth. Associated with the experimental schools would be programs of on-the-job and apprenticeship training and provision for follow-up studies to help evaluate and improve the programs.

3. The Department of Agriculture should participate with the Department of Health, Education, and Welfare in the planning of the State conferences on education that are now being developed in connection with the White House Conference on Education to be held in 1955.

The State conferences will consider pressing problems in education. Participation of agricultural leaders at the State and county level should be encouraged by the Department of Agriculture so as to have the conferences consider the vocational training needs of low income farm people.

For States in which there are high concentrations of low income farm families, special attention should be given in the State education conference to the development of recommendations covering (1) what it would take to bring

about an adequate program of vocational training for rural people, and (2) the means for financing it. These recommendations would later be brought to the attention of the White House Conference on Education to elicit support for improved programs of vocational training and guidance of rural youth.

4. The almost complete lack of vocational counselling services for youth in the South and other rural areas needs to be remedied. Stronger guidance is needed for counselling programs administered by the State educational agencies and the State employment services to serve effectively the needs of youth in low income farm families. For rural areas and small cities, it may be more feasible to have mobile counselling units which can serve a number of different communities.

5. In view of the fact that for many years now, about half of the farm youths leave the farms for nonfarm employment or residence, public schools serving rural people need to emphasize the training and counselling of farm youths in skills in demand in the nonfarm occupations.

6. The Federal-State Cooperative Extension Service should add trained leaders to work with farm youth groups in areas of low income farm families. These leaders should be especially trained in vocational counselling. As a part of their extension activities, they should work closely with local and State school officials, employment service officers, and with private organizations representing business, labor and the civic groups.

7. Efforts should be intensified to get more part-time farm operators or operators of inadequate size farm units to take part in vocational training and retraining programs. Facilities for this training should be expanded and

Acquiring of skills together with a more adequate flow of information about nonfarm job opportunities would promote greater vertical and horizontal mobility of currently underemployed farm operators. Pilot programs in several areas should be undertaken to develop experience for dealing with training and retraining problems of adults in these categories.

8. Existing legislation on Federal aid to vocational education should be amended to permit channelling of additional Federal funds for the vocational training of youth in low income rural families. Such legislation should provide new and improved bases for allocating Federal funds among the States, and should permit flexibility to the States in developing specialized educational programs.

9. An interdepartmental work group should be set up to develop recommendations on legislation to create a revolving fund for student loans. Such a fund would cover expenses of students who otherwise are unable to complete their secondary education or to enter existing vocational and technical schools.

10. State educational agencies with the financial support of the Federal Government should be encouraged to provide scholarships to qualified and needy youths of low income families. These scholarships would open up specialized vocational training in occupations in which current and prospective employment opportunities exist. Scholarships should also be provided to such youths who desire to pursue programs of more general education.

11. Progress in training and guidance programs should be accompanied by continuing efforts to improve basic educational programs and facilities of the primary and secondary public schools serving rural children and youth. More