Some Aspects of New Deal Farm Policy

The following three papers were presented orally before the Agricultural History Society in 1958. They are presented here as a symposium on some aspects of New Deal Farm Policy since Franklin D. Roosevelt and his concern for the small farmer provide a unifying theme to a greater or lesser extent in each of the three papers. Dr. Tugwell read his paper at a joint luncheon meeting of the Agricultural History Society and the American Historical Association at Washington, D. C., on December 30, 1958. Professor Huffman and Mrs. Slichter delivered their papers to a joint session of the Agricultural History Society and the Mississippi Valley Historical Association at Minneapolis, Minnesota, on April 25, 1958.

The Resettlement Idea

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Coming as an amateur to the historians' trade in a small way, I have been surprised to learn that it is no longer proper to speak of historical efforts as useful. I am not certain how historians themselves justify the considerable efforts they devote to their discipline. But those of us who are not professionals, and are not therefore required to find a justification, often develop a lively curiosity about the past; and this curiosity is tinged with a lingering belief that there is something to be learned from it. What we can learn may never be much, the span of life being what it is, but such as our part in it has been, we like to think it does have lessons for others. We are certain, also, that we have the advantage of an intimacy with it, that, for an aging survivor, rapidly becomes a monopoly.

About one phase of the New Deal activities I had this intimacy; and my curiosity concerning its failure has been a nagging one during all the years since that time. On the chance that there may be those who think there are lessons to be learned from a recapitulation of my conclusions, allow me to speak of them.

The particular agency I refer to is the Resettlement Administration, established by Executive Order in May of 1935. The idea for this agency was my own, and I was made its administrator. President Roosevelt was, however, immediately interested because it touched matters he cared about a great deal. We both thought it must surely succeed and serve a highly useful purpose: it had logic; it was necessary; and the plan of operation seemed feasible.

It had logic because it brought together agencies complementary to each other; each ought to gain from closer association. It was necessary because it would stop a disastrous wastage of people and of natural resources. And it seemed sufficiently feasible because the consciousness of the problem was very general and because the funds were available for emergency use. We relied heavily on a long-growing concern for the conservation of resources—land, water, and forest; and on an even more acute realization of the situation faced by millions of rural families who were in deep—almost hopeless—distress, made deeper and more hopeless by the depression.

We were wrong about the probability of success. The Administration was never recognized by the Congress; the funds for its operations had to come from those allotted to the President for the relief of depression, not only in the first but in a succeeding year. It consequently never attained the status of a respectable and permanent addition to the family of Federal organizations. This caused countless difficulties in operation and encouraged those who viewed all the New Deal "experiments" with chilly disapproval to regard this one with especial venom.

The Resettlement Administration existed as such for only about two years when its name was changed. At that time the Congress did recognize a successor organization and authorize certain of its functions. The Farm Security Administration had purposes much more restricted than those of the original agency and much more in conformity with the prejudices of the well-to-do concerning those who have not succeeded in the competition of economic life. From that time on, in spite of the efforts of first W. W. Alexander and then C. B. Baldwin, who succeeded me as administrator, it suffered modifications and restrictions year after year as it asked for funds. Its descendant still exists in the Department of Agriculture, unrecognizable as a relative of its parent.

Yet problems for which it was meant to find some solution did not grow less demanding; indeed they intensified. Some of them, it is true, were solved in a sort of way by the incredibly cruel and wasteful unassisted displacement of people and abandonment of land. But even this was no quick and complete solution. There is still unguided migration taking place at immense cost in human misery; there is still misused land in every region of the country; and there are still the dramatic disasters of wind and water erosion that recurrently rise to climaxes of dust storm and flood.

Why was it that we were not allowed to ease the migrations of people from worn out land and return the land itself to the uses nature would tolerate? That is the question I have often asked myself.

It has been suggested that ours may have been just too neat a scheme and therefore vulnerable as an intellectual construct of the sort particularly repulsive to politicians. This theory supposes that our idea would have had a better reception if it had had a gradual growth, one function being added to another with time for accustoming and consolidation. This also would have reduced the administrative difficulties because the scale would have been much more manageable. The advantage in this is to be found mostly, I think, in the reduction of the administrative burden for a staff undertaking new duties. I doubt if the functions disliked by objectors would have been any more agreeable if added one by one than if put together as an original whole.

Anyway, the very heart of the resettlement conception was the simultaneous attack on the wastage of people and the inefficient use of resources, each of which was so much the cause of the other that they were inextricably linked. They could not have been separated; it was the people or their forebears who had occupied the land and seen it go to ruin; and they, or their descendants, were caught in situations they were powerless to escape without assistance. They could, of course, pile their families and their goods into their old cars and set out for the West Coast, as many of them did, or make for the nearest city, as even more of them did. But there was nothing for them where they were going. They made camps on the ditch banks in California; or they settled uneasily into city slums. They joined the army of the casual or the unemployed; and their miseries were hardly less than they had been before their move.

The land left by the movers mostly went on the tax-delinquency rolls; it had no economic use; and it came under no scheme of development. It only added to flood or wind erosion problems and offered a temptation for some other misguided family to try making a living another time when conditions temporarily improved. This cycle of prosperity and depression, aggravated in many regions by periods of moisture and drought, was as old as the country itself; but it had grown worse, much worse, with gradual exhaustion of old lands. The crisis we tried to meet occurred in the midst of the post-war depression in the twenties and thirties. There were at least five million families who were in desperate straits; there were as many more who were only less hard pressed. All of this was before the devastating drought in the short grass country in 1934 which was repeated in 1936.

Resettlement undertook to remedy all this. It meant to assist the families in the worst situations to find new and more economic farms or to locate elsewhere in other occupations with a prospect of work and income. This was a difficult and highly technical job even if the numbers involved had been much smaller. In the terrible years of the great drought not much could be accomplished but

relief from immediate pressures. But a beginning was made, nevertheless, on longer range programs. Surveys located more promising opportunities; advice and loans were made to those who seemed to have a chance of recovering where they were; and the assembling of areas submarginal for agriculture preparatory to turning them over to states or local governments for parks or recreation areas began. It seemed for a time as though public sympathy and Congressional support could be counted on. But the tolerance was very brief.

It may be that a more gradual approach to this whole vast problem of maladjusted people and badly abused lands might have been made. What this would have been like could be seen in what happened after my influence was removed, at the end of 1936. There was an immediate shift of emphasis to the assisting of a relatively few tenants in acquiring ownership of the land they were on. This had been part of the original Resettlement program; but it had been recognized that it was suitable for only a limited number of families and offered nothing for those whose positions were hopeless because their land could no longer support them. Even those who were assisted might well be worse off as owners than they had been as tenants, particularly if their managerial skills were no more than average. Such owners were terribly vulnerable to foreclosure. But there was an American prejudice at work in this. It seemed somehow more worthy to make an owner of a tenant than it did to effect a rescue from bankruptcy. This meant first the neglect and then the abandonment of that half of the original idea. The badly abused land was no longer to be brought into some kind of development scheme in which it could find a use other than for a struggling agriculture.

In any event, we had thought that a scheme other than a simple tenant-purchase loan was more likely to meet the need. Family security was to have been met through supervised farm-and-home plans. It seems not to be widely known, but this was actually the most successful in many ways of any of the New Deal devices. It was simple yet effective. This did not mean that it was easy to do. It required expert knowledge of land and of farm management. But this expertness was one resource which was readily available in the graduates of agricultural and home economics courses who, along with others, were unemployed.

The farm-and-home plan involved the making of a loan to a family for whom a suitable location had been found. The loan was made on condition that the farmer follow an agreed plan of operations and that his wife would also agree to make use of the farm's potentialities under the guidance of a home economist.

No family was helped in this way unless it was in such desperate straits that it had been receiving relief. Hundreds of millions of dollars were loaned to families in every state under this plan; and the government got almost all of it back with a certain amount of interest.

The critics' objection to this, as to the whole idea of resettling people under the guidance of sympathetic experts, centered in the idea that it limited peoples' freedom. That the freedom involved was limited to the right to be dispossessed and to migrate, or perhaps to sink deeper into misery, seemed not to affect loyalty to principle. The government was not a suitable agency for such assistance. Relief might be given; but that workable opportunities should be found and guidance given did not command consent. The one was in the realm of liberty; the other was inadmissible paternalism.

This vigilance of conservatism in guarding freedom was one reason for our defeat. But there were others. Another important one was the stress we laid, in arguing for our plans, on land-use, and particularly the idea of retiring land submarginal for agriculture from commercial use. We thought that two generations of agitation for conservation had prepared public opinion for a program of this sort. I soon had cause to realize how mistaken this was. One of the disagreeable experiences graven most deeply on my memory, I think, is the complete scorn with which our arguments for better land use were met in the Congressional Committees to whom we appealed for support. They let us know that this was a fancy idea devised by intellectuals. It was wholly impractical; and they refused to have anything to do with it.

It is hard to separate the elements of the general disfavor into which we declined, but certainly another important one was the scepticism of well-to-do farm people concerning their less prosperous neighbors. They felt that poverty was the result of shiftlessness and incompetence and they had no confidence at all in any scheme to cure these faults of character. This conclusion was based they said, on intimate first-hand evidence. They were in direct contact with worthless neighbors. And nothing would shake the conviction that what they saw was the only evidence worth considering. It was not affected by argument; and it responded not at all to demonstration.

The prejudice of neighbors was thus brought to bear on our program with devastating effect. It came to Congressmen through the testimony of the farm organizations with their extremely effective lobbying techniques. Congressmen were persuaded that their constituents—the ones who counted —were opposed to our operations.

This reporting was true. The more prosperous farmers, who paid dues to these organizations, and thus the salaries of the lobbyists, were decidedly opposed. Their interests in their neighbors might be selfish, which they did not admit; but it was also practical. The whole system of rural relationships was involved. The families we proposed to do something for were tenants, share-croppers, or laborers. Their relationship to their landlords or their employers was a necessary characteristic of farm life. If they became more independent they would be hard to deal with. If they moved away, the labor market would be tightened. If they became owners they also became competitors. If something had to be done, the last of these alternatives was preferable. It could not affect many, anyway; and those who moved up into the owner class would soon share the outlook of their fellow proprietors. So the farm-tenant-purchase program was given a certain approval. And that was what survived of what the Resettlement Administration had started out to do. It could and did use some of the farm-and-home loan plan techniques, and this was helpful.

It has to be understood that the lower income levels of the rural population where we meant to work had in it no influential citizens, no campaign contributors, and hardly any voters—almost none in the poll-tax states. The only friend we had in the Congressional hearings was the Farmers' Union whose clientele was most numerous in the Great Plains states and among the smaller and less prosperous farmers neglected by the larger farm organizations. But it naturally had nothing like the claim to attention of its more influential rival organizations. The countervailing power we could bring to bear when and where it counted, no matter what the good-will among our clients, and no matter how important our effect on conservation, was feeble indeed.

I should also mention that the corollary programs we were asked to administer, and those subsidiary to our rural operations, were acutely annoying to conservatives. In the emergency of drought, for instance, we made many grants as well as loans to cushion the impact of the disaster to the worst-hit families. We also developed subsidiary medical services. And in the South we included the payment of poll taxes as an item of our farm-and-home loans. All these seemed to infuriate our critics.

Then too there were transferred to us the Subsistence Homestead Division from the Department of the Interior, something already under such fierce attack that its organizers were frankly seeking cover. We added its operations to those of the Rehabilitation Corporations, organized to establish communities in rural areas by the Hopkins relief administration. In doing this we ran into a controversy with the Comptroller General, who forced us to undertake the liquidation of corporations in 48 states and set up a centralized Federal administration. That this was an involved and costly project can well be imagined. It was costly too in the reputation it gave us for confusion and delay.

To this catalogue of troubles I must add those we encountered in the operations of our Suburban Resettlement Division. We had hoped to construct a good many of these projects. They were to be places where those who were being displaced from small-scale farming could go. They would show how good planning and decent building could supplant the crowded neighborhoods and

jerry-built houses being offered by real estate speculators. We would surround each community with a green belt, and we would provide the necessary community facilities for each group of homes.

We came under such savage attack immediately that our plans for 60 projects had to be abandoned, and we were limited to three. These three were never really finished, and they were presently disposed of to speculators too. The attack in this case centered again on our doing something for those who had done nothing to deserve it—the facilities we were building were intended for low-income families. And we were mercilessly castigated for having high costs. Of course we had used good materials and built to high standards; also our labor was taken exclusively from the relief rolls. We provided sewer and water systems, schools, parks, and other utilities. No speculator did any of these things; in his projects the home buyer had to expect that his house would begin to fall apart in a few years; and for utilities he had to depend on the municipality, not the developer. But our critics ignored all these considerations and pictured us as extravagent do-gooders. Some respectable newspapers in each of the cities of our choice carried on a campaign of misrepresentation which seemed to us to be completely conscienceless. In one of them, the other day, I read an article about Greenbelt as an example of good planning, capable building, and good management. There would have been more Greenbelts if the press had not used its power to discredit the projects when they were being built.

Taking everything together, it was only a short time before the Resettlement Administration was in trouble on every front. The newspapers were critical, the farm organizations were determined to stop our operations, the Congress was convinced that we had no political support, and the Democratic politicians were hoping that we could be swept under some convenient rug before the next election.

As a matter of fact the Republicans, knowing the Democratic fears, made a considerable issue of us in the 1936 campaign. We had no defenders and were told to keep quiet ourselves. So the fact that the Democrats won an overwhelming victory counted very little in our favor. And we were soon made aware that it had not bettered our situation with the Congress. We were a Presidential protegé; and we were among the first to suffer from the inevitable upsurge of anti-Presidential emotions following his great victory. For the one thing that Congress as an institution cannot tolerate is being outshone by the President. The recent abdication of responsibility during the worst of the depression had brought the legislative branch a certain ridicule from the conservative press. When the election was over it was in a mood to assert its prerogatives.

The vindictiveness and determination accompanying this mood was most dramatically demonstrated immediately after the election in the Supreme Court fight. President Roosevelt was defeated in that engagement in a peculiarly humiliating way. But less spectacularly he began to lose battles for the continuation of the New Deal agencies. During the next few years many of them were either disallowed or emasculated in the continuing Executive-Legislative struggle. And Resettlement Administration was one of the first to go.

With more discretion, I suppose, than courage, I resigned to think things over, telling myself that the removal of so controversial a figure as I had become, would perhaps soften the hearts of legislators who were intent on finding some one or some thing to punish. They might be content with my head and leave the Administration alone to do its work. In this I was mistaken. The work had to be abandoned gradually and the problems it might have solved were simply allowed to grow more costly and more insistent.

But in retirement, I did do some thinking; and this led me to certain conclusions. I summarize them in the form of advice to younger successors in government service:

> If you feel impelled to organize a constructive attack on social ills, be sure that you are riding a drift of support likely to register at the source of your funds. In other words, the Congress must have a bad conscience too.
>
> Be sure that you are not going to be caught in a vindictive squeeze because of some resentment about which you are helpless to do anything.

Be sure that the Chief Executive is not merely passively approving but is convinced that there is political credit in what you are to do.

Do not tie functions together because they seem logically complementary. Be sure rather that each will add strength to the whole. An organism is better than a congeries.

Be sure that those who will be benefited will be able to — and will — register their support whenever the struggles for your continuance occur.

There will be such struggles, if you are to have any real usefulness, even if you have wide approval. There will be those who are dislodged from positions enabling them to exploit others. They will object, perhaps violently, and will know how to make their objections felt.

When the disadvantage you are intending to remedy is one imposed by nature you will have to contend with both inertia and prejudice—those who will say that it is best not to interfere with a preordained order, and others who will say that you are imposing unjust burdens on other individuals. The leverage to overcome these has to be prepared carefully and used with discretion. You will not succeed unless the preparation has been politically convincing.

These may seem to be rather elementary and obvious warnings. Actually they are often disregarded and are as often responsible for failure. Either they are not so elementary as they seem or those who disregard them have no respect for experience. Perhaps they only seem elementary to the detached observer. Reformers are not apt to possess such detachment; and they are notoriously apt to be optimistic.

There are, however, crises in human affairs which generate powerful sympathies and indignations and whose demands for action overwhelm all the warnings and cautions it is possible to marshal. Great consequences have sometimes resulted from such emotions.

My final advice to those who are thus moved by injustices and human needs, and who think they perceive better possibilities through social organization, is to go ahead. Fail as gloriously as some of your predecessors have. If you do not succeed in bringing about any permanent change, you may at least have stirred some slow consciences so that in time they will give support to action. And you will have the satisfaction, which is not to be discounted, of having annoyed a good many miscreants who had it coming to them.

Montana's Contributions to New Deal Farm Policy

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The purpose of this paper is to discuss the nature and extent of Montana's contribution to New Deal farm policy. In the space available here, the picture presented can be only sketchy at best. A more complete detailing of the Montana story with respect to New Deal farm policy must await completion of a more comprehensive report now being prepared.

Before proceeding with the central theme of this paper, it seems desirable to suggest the reasons for the concern of Montana and Montanans with the development of agricultural policy and program in the 1920s and 1930s. The reasons were two in number: first, the stage of economic development of the State and the character of its agriculture and second, the association of M. L. Wilson with Montana State College from 1911 to 1933 and the efforts of Wilson and his colleagues, particularly those in Agricultural Economics.

The agricultural settlement of Montana reached a peak in 1910 although a significant volume of homesteading continued for several years after that date. Within the next decade, the agricultural economy of the State had passed through a sequence of events of greater impact than those to effect any other area in such a short period following pioneer settlement. The virgin croplands of Montana were well adapted to specialization in the