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Charlie

OK.
2 pm Tuesday 3/4

would be fine or do you want to eat
lunch with him at 1 pm Tuesday
& then go back to his office for further
talk. Leaves it up to you because of
your schedule

Neta

March 3, 1975

Dear Frank:

Thank you for the roster of members of the
Congressional Rural Caucus.

I am asking Mrs. Brown, my secretary, to
set up an appointment with you as requested.

Sincerely,

Charles Leppert, Jr.
Special Assistant
for Legislative Affairs

Mr. Frank G. Tsutras
Director
Congressional Rural Caucus
Room 309 - House Annex Building
Washington, D. C. 20515

CL:nb



THE WHITE HOUSE
WASHINGTON

Date 3-3-75

TO: NETA

FROM: CHARLES LEPPERT

Please Handle _____

For Your Information _____

Per Our Conversation _____

Other: ✓ PLEASE MAKE
APPOINTMENT FOR ME.

Copies to Ch Stoff

Thank you to St. Vincent

& more kept out. by accident

CONGRESSIONAL RURAL CAUCUS
Congress of the United States
House of Representatives
Washington, D.C. 20515

FRANK G. TSUTRAS
DIRECTOR

CAROL J. FORBES
LEGAL COUNSEL

21 February 1975

ROOM 309
HOUSE ANNEX BUILDING
WASHINGTON, D. C. 20515
AREA CODE 202 225-5080

Charlie-----

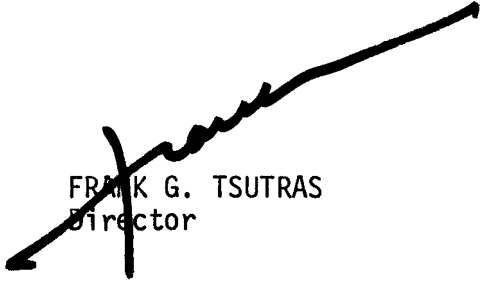
Enclosed copies of CRC membership are for your information.

We are preparing to invite additional Members of Congress and we will certainly keep you posted.

Not that you do not have enough to look at, we are also adding your name to our mailing list for reports and future comments.

Let us try to get together at your convenience. The CRC has some suggestions which can be helpful.

Good luck to you --- and thank you.


FRANK G. TSUTRAS
Director



EXECUTIVE COMMITTEE

BOB BERGLAND (D-MINN)
JOHN BRECKINRIDGE (D-KY)
ED JONES (D-TENN)
GILLIS LONG (D-LA)
GUNN MCKAY (D-UTAH)
CHARLIE ROSE (D-NC)
DON YOUNG (R-ALASKA)

DIRECTOR: Frank G. Tsutras LEGAL COUNSEL: Carol J. Forbes

OFFICE: CONGRESSIONAL RURAL CAUCUS, U.S. House of Representatives,
309 House Annex Building, Washington, D.C. 20515, (225-5080)

<u>MEMBERS:</u>	BILL ALEXANDER	D	ARK
	MARK ANDREWS	R	ND
	LES ASPIN	D	WIS
	BOB BERGLAND	D	MINN
	RICHARD BOLLING	D	MO
	DAVID R. BOWEN	D	MISS
	JOHN B. BREAUX	D	LA
	JOHN BRECKINRIDGE	D	KY
	JAMES T. BROYHILL	R	NC
	BILL CHAPPELL	D	FLA
	MENDEL J. DAVIS	D	SC
	FRANK E. EVANS	D	COLO
	THOMAS S. FOLEY	D	WASH
	BO GINN	D	GA
	LEE H. HAMILTON	D	IND
	JOHN PAUL HAMMERSCHMIDT	R	ARK
	WILLIAM L. HUNGATE	D	MO
	RICHARD H. ICHORD	D	MO
	ED JONES	D	TENN
	JERRY LITTON	D	MO
	GILLIS LONG	D	LA
	GUNN MCKAY	D	UTAH
	EDWARD MEZVINSKY	D	IOWA
	JOHN M. MURPHY	D	NY
	DAVID R. OBEY	D	WIS
	THOMAS P. "TIP" O'NEILL	D	MASS
	W.R. POAGE	D	TEX
	RICHARDSON PREYER	D	NC
	MELVIN PRICE	D	ILL
	WILLIAM J. RANDALL	D	MO
	CHARLIE ROSE	D	NC
	HAROLD RUNNELS	D	NM
	PATRICIA SCHROEDER	D	COLO
	BUD SHUSTER	R	PA
	ROBERT L.F. SIKES	D	FLA
	B.F. SISK	D	CALIF
	TOM STEED	D	OK
	W.S. "BILL" STUCKEY, JR.	D	GA
	CHARLES THONE	R	NEBR
	RAY THORNTON	D	ARK
	RICHARD C. WHITE	D	TEX
	CHARLES WILSON	D	TEX
	DON YOUNG	R	ALASKA



22475-27

27 FEBRUARY 1975 - THIS THURSDAY AFTERNOON - 1:30 PM thru 3:00 PM - The CONGRESSIONAL RURAL CAUCUS and the RURAL DEVELOPMENT GROUP will meet in 1302 LONGWORTH HOUSE OFFICE BUILDING.

The subject will be THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974 - PAST, PRESENT, AND FUTURE !!!!! Your prompt attendance and active participation will be greatly appreciated and encouraged. IMPORTANT !!!!!

The session will be chaired by CONGRESSMAN JOHN BRECKINRIDGE (D-KY), a member of the CRC Executive Committee and former Attorney General of Kentucky. Congressman Breckinridge specifically requested that this subject be considered and discussed once again, and at this time, due to the newness of the current budget process under the Act, as well as the need for more effective Congressional oversight and supervision.

We are honored and most fortunate that GEORGE GROSS, GENERAL COUNSEL, and/or LINDA KAMM, ASSOCIATE GENERAL COUNSEL, for the HOUSE COMMITTEE ON THE BUDGET, will report to the CRC-RDG, after which questions and comments will be encouraged.

This is an excellent opportunity for all members of the CRC-RDG to learn first-hand some of the problems, solutions, experiences, and other factors in the complicated budget process of the United States Government. We are especially pleased that George and Linda will share this with us.

)))))))))))))))))))))))))))))) FUTURE (((((((((((((((((((((((((((((((((((((((

6 MARCH 1975 - same time, same place. U.S. Department of Housing and Urban Development will brief CRC-RDG on TITLE I, HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, COMMUNITY DEVELOPMENT BLOCK GRANTS. Implementation and applicability in rural areas will be covered. VOID VOID VOID VOID VOID VOID VOID VOID

13 MARCH 1975 - same time, same place. William H. Jones, Assistant Financial Editor of THE WASHINGTON POST, will discuss RAIL SERVICES - PROBLEMS, SOLUTIONS, PROPOSALS, EFFECTS, ETC. Bill has been the author of several reports on RAIL SERVICES.

February 12, 1975

Dear Frank:

Thank you for calling me about the Rural Caucus and its concerns. I would appreciate your sending me a list of your Members and such other information as will be helpful to us in working with you. A copy of your rules, charter, or constitutional by-laws would be helpful if available.

I'm happy to see a friend in such an important position and I look forward to working with you.

Sincerely,

Charles Leppert, Jr.
Special Assistant for
Legislative Affairs

Mr. Frank Tsutras
Staff Director
Rural Caucus
309 House Office Bldg. Annex
Washington, D. C. 20515

CL:nb



March 6, 1975

MEMORANDUM TO: MAX FRIEDERSDORF
THRU: VERN LOEN
FROM: CHARLES LEPPERT, JR.
SUBJECT: Congressional Rural
Caucus Priorities for
94th Congress

Attached for your information is the Congressional Rural Caucus priorities for the 94th Congress.

I met with Frank Tsutras, Executive Director of the CRC at his request on Tuesday, February 4th. At this meeting Mr. Tsutras mentioned the CRC priority list which I asked him to forward to me. At that time, I also informed Mr. Tsutras that a meeting with the Vice President on these matters was not possible at this time and suggested a follow-up meeting with Vern Loen and me on specifics that the CRC wanted to discuss.

Attachment

CL:cjd

cc: Jim Cannon, Domestic Council
John Hill, OMB
Doug Bennett
Bill Kendall
Pat O'Donnell

Nota - for files



CONGRESSIONAL RURAL CAUCUS
U.S. HOUSE OF REPRESENTATIVES
309 House Annex Building
Washington, D.C. 20515
202-225-5080

Frank G. Tsutras
Director

Carol J. Forbes
Legal Counsel

1975-4

The CONGRESSIONAL RURAL CAUCUS Executive Committee has identified five priority subject areas for continued action during the 94th Congress, including the Congressional Budget and Impoundment Control Act of 1974: the full implementation of the Rural Development Act of 1972: adequate Health Care, Facilities, Financial Assistance, Personnel, Planning, Resources, and Services: Housing Assistance, Water and Sewer Facilities, and related Human Services: Agriculture, Dairy, Farming, Grain, Livestock, Poultry, and related activities, together with effective Financial Assistance; and any other timely subjects on a current basis.

In an unprecedented request, the CRC is soliciting comments and ideas or suggestions from residents throughout the Nation who read this specific news statement. Any comments and suggestions should be mailed to the office of the CRC, located at 309 House Annex Building, Washington, D.C. 20515, attention of Frank G. Tsutras, Director. Comments and suggestions should be related to improvement of economic and social conditions in rural areas. The major purpose of the CRC is to assist in the orderly growth and development of Rural America.

From the fiscal viewpoint, the newly-enacted Congressional Budget and Impoundment Control Act of 1974 is the most important single legislative process confronting the 94th Congress. CRC members are primarily concerned with the manner in which this Act is implemented so as to insure the best possible consideration for rural areas.

The Rural Development Act of 1972, as amended, continues to be a major item for rural programs of assistance. It has been the subject of many delays and adverse decisions by the Executive Branch, resulting in an ineffective implementation effort by the U.S. Department of Agriculture. The provisions are absolutely essential to rural communities and residents.

Adequate Health Care, Facilities, Financial Assistance, Personnel, Planning, Resources, and Services are absolutely essential to the well-being and lives of people from ALL walks of life. Rural needs must be effectively included and resolved in all planning, implementation of, and delivery of these services at every level of government and non-government.

The Housing record, backed up with Water and Sewer Facilities and related Human Services, has also been subjected to delays and adverse actions and inactions by the Executive Branch. These programs must become more visible in order to accommodate the needs of millions of people throughout the Nation. The "outreach" process must be "real" and productive.

The plight of the farmer, the livestock producer, and others involved in Agriculture, Dairy, Farming, Grain, Livestock, Poultry, and related processes is a fact of life which touches every human being on the face of this earth. The food demand and supply of this Nation is now a vital factor in the international scene with far-reaching effects on people in every corner of the World, crossing all language and religious barriers. In other words, everyone must have food to survive. There are no exceptions. The economic health of the American Farmer is a factor which we must also take into consideration when dealing with increased costs related to production and processing of food items.

These are just a few of the many matters which are of concern to the CRC. Although Rural Development is the major theme of the CRC, the other items mentioned must be, and are being, included in the work agenda for the 94th Congress.

309 House Annex Building, Washington, D.C. 20515, 202-225-5080
Frank G. Tsutras, Director Carol J. Forbes, Legal Counsel

The Congressional Rural Caucus Executive Committee has requested a personal visit from Vice President Nelson A. Rockefeller to discuss Rural Development and Agricultural subjects.

The CRC has also recommended periodic discussions with the Vice President to insure effective coordination and communication related to Rural Development and Agriculture.

As explained by Executive Committee member Congressman Charlie Rose (D-NC), "it appears that the Vice President will be actively involved in the activities of the Domestic Council which formulates and coordinates policy recommendations to the President. Based upon the assumption that the President will probably assign this major responsibility to the Vice President, the Rural Caucus Executive Committee thought it advantageous to rural areas and residents to have a discussion session. Remember, together with the Office of Management and Budget and the Council of Economic Advisers, the Office of the President has tremendous impact on rural areas in all decisions and policies coming from the White House."

"The Rural Caucus wants to keep these discussions on an informal basis and on a positive note" said Congressman John Breckinridge (D-KY), also a member of the CRC Executive Committee.

Other CRC Executive Committee members include Congressman Bob Bergland (D-MINN), Congressman Ed Jones (D-TENN), Congressman Gunn McKay (D-UTAH), Congressman Gillis Long (D-LA), and Congressman Don Young (R-ALASKA).

The Congressional Rural Caucus has also conferred with officials of the U.S. Department of Health, Education, and Welfare to discuss preliminary plans for the agency's implementation of the NATIONAL HEALTH PLANNING AND RESOURCES DEVELOPMENT ACT OF 1974 (PL 93-641), just signed into law by President Ford.

Five

CONGRESSIONAL RURAL CAUCUS

Congress of the United States House of Representatives

EXECUTIVE COMMITTEE
BOB BERGLAND (D-Minn)
JOHN BRECKINRIDGE (D-Ky)
ED JONES (D-Tenn)
GILLIS LONG (D-La)
GUNN McKAY (D-Utah)
CHARLIE ROSE (D-NC)
DON YOUNG (R-Alaska)

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WASHINGTON, D.C. 20515
AREA CODE 202 225-5080

FRANK G. TSUTRAS
DIRECTOR

CAROL J. FORBES
LEGAL COUNSEL

March 27, 1975

MAR 29 1975

Mr. Charles Leppert, Jr.
Special Assistant for
Legislative Affairs
The White House
Washington, D. C. 20050

Dear Charlie:

Just a note to remind you of our recent discussions concerning the Congressional Rural Caucus and the President.

At your convenience I welcome the opportunity to meet with Vern Loen and others from the White House staff who would be concerned with rural development as we discussed.

Thank you.

Frank G. Tsutras
Director



CONGRESSIONAL RURAL CAUCUS

Congress of the United States

House of Representatives

EXECUTIVE COMMITTEE
BOB BERGLAND (D-Minn)
JOHN BRECKINRIDGE (D-Ky)
ED JONES (D-Tenn)
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FRANK G. TSUTRAS
DIRECTOR

CAROL J. FORBES
LEGAL COUNSEL

SUBJECT: CONGRESSIONAL RURAL CAUCUS MEMBERSHIP

32075-41

1. Bill Alexander - Arkansas
2. Ike F. Andrews - North Carolina
- ✓ 3. Mark Andrews - North Dakota
4. Les Aspin - Wisconsin
5. Les AuCoin - Oregon
6. Alvin Baldus - Wisconsin
7. Max Baucus - Montana
8. Berkley Bedell - Iowa
9. Bob Bergland - Minnesota
10. Richard Bolling - Missouri
11. David R. Bowen - Mississippi
12. John B. Breaux - Louisiana
13. John Breckinridge - Kentucky - *pres.*
- ✓ 14. George E. Brown, Jr. - California
- ✓ 15. James T. Broyhill - North Carolina
16. John L. Burton - California
- * 17. Phillip Burton - California
- ✓ 18. Tim Lee Carter - Kentucky
19. Bill Chappell, Jr. - Florida
20. Mendel J. Davis - South Carolina
21. Glenn English - Oklahoma
22. Frank E. Evans - Colorado
23. Thomas S. Foley - Washington
24. Bo Ginn - Georgia
- ✓ 25. Tom Hagedorn - Minnesota
26. Lee H. Hamilton - Indiana
- ✓ 27. John Paul Hammerschmidt - Arkansas
28. Tom Harkin - Iowa
29. Jack Hightower - Texas
- * 30. Carroll Hubbard, Jr. - Kentucky
31. William L. Hungate - Missouri
32. Richard H. Ichord - Missouri
33. John W. Jenrette, Jr. - South Carolina
34. Ed Jones - Tennessee
35. Martha Keys - Kansas
36. Jerry Litton - Missouri
37. Gillis W. Long - Louisiana
38. Matthew F. McHugh - New York
39. Gunn McKay - Utah
40. Edward Mezvinsky - Iowa
41. John M. Murphy - New York
42. Richard Nolan - Minnesota
43. James L. Oberstar - Minnesota
44. David R. Obey - Wisconsin
- * 45. Thomas P. O'Neill, Jr. - Massachusetts?
46. W.R. Poage - Texas
- ✓ 47. Larry Pressler - South Dakota
48. Richardson Preyer - North Carolina
49. Melvin Price - Illinois
50. William J. Randall - Missouri
51. Frederick W. Richmond - New York
52. Theodore M. "Ted" Risenhoover - Oklahoma
53. Charlie Rose - North Carolina
54. Harold Runnels - New Mexico
55. Jim Santini - Nevada
56. Patricia Schroeder - Colorado
- ✓ 57. Bud Shuster - Pennsylvania
58. Robert L.F. Sikes - Florida
59. Paul Simon - Illinois
60. B.F. Sisk - California
61. Tom Steed - Oklahoma
62. W.S. "Bill" Stuckey, Jr. - Georgia
- ✓ 63. Charles Thone - Nebraska
64. Ray Thornton - Arkansas
65. Bob Traxler - Michigan
66. Joseph P. Vigorito - Pennsylvania
67. James Weaver - Oregon
68. Richard C. White - Texas
69. Charles Wilson - Texas
70. Antonio Borja Won Pat - Guam
- ✓ 71. Don Young - Alaska - *member Exec Comm.*

*enroll - total in
up to 80 as
9 of 27/25. will
review - +*

(REVISED LIST WILL BE PREPARED AS ADDITIONAL MEMBERS ARE CONFIRMED. ADDITIONAL INVITATIONS ARE IN PROCESS TO OTHER SELECTED MEMBERS OF THE HOUSE.)

CONGRESSIONAL RURAL CAUCUS

Congress of the United States

House of Representatives

EXECUTIVE COMMITTEE
BOB BERGLAND (D-Minn)
JOHN BRECKINRIDGE (D-Ky)
ED JONES (D-Tenn)
GILLIS LONG (D-La)
GUNN MCKAY (D-Utah)
CHARLIE ROSE (D-NC)
DON YOUNG (R-Alaska)

309 HOUSE ANNEX BUILDING
WASHINGTON, D.C. 20515
AREA CODE 202 225-5080

FRANK G. TSUTRAS
DIRECTOR

CAROL J. FORBES
LEGAL COUNSEL

3875-35

SUBJECT: CONGRESSIONAL RURAL CAUCUS

The CONGRESSIONAL RURAL CAUCUS was formally organized during July 1973 to insure the orderly growth and development of rural/nonmetropolitan areas and the plans for bringing together the maximum Federal, State, Local, and Non-Governmental resources available to such areas.

As a Bipartisan Congressional voice for Rural Development and Agriculture, the CRC became immediately, and actively, involved in many subjects which resulted in a reevaluation to identify specific priorities.

Major priorities for the 94th Congress include (1) Implementation of the CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974, (2) Full implementation of the RURAL DEVELOPMENT ACT OF 1972, (3) Rural HEALTH, (4) Rural HOUSING, (5) Rural TRANSPORTATION, (6) Rural WATER AND SEWER Facilities, and (7) AGRICULTURE.

The CRC coordinates weekly discussions of the Rural Development Group which is comprised of Members of the House and Senate, their top staff members, Non-Federal, and Non-Governmental representatives with national communications and contacts reaching millions of people who are concerned with Rural Development and Agriculture.

CRC policies are formulated by an elected Executive Committee. A full-time Director manages the administration and operations. Legal Counsel assumes legal matters. Financial support is provided by CRC members. Voluntary staff assistance is utilized on a selected basis.

CRC staff reports to members and coordinating groups and provides action recommendations in selected issue areas.

Many Federal, State, Local, and Non-Governmental representatives inquire of the CRC for comments, suggestions, and advisory opinions related to Rural Development and Agriculture. CRC also seeks such response from the excellent sources available in Washington and throughout the Nation.

Such coordination and communication is absolutely essential so that Legislative and Executive decisions result in beneficial and positive action for rural people.

+++++

THE WHITE HOUSE

WASHINGTON

Date 3-13-75

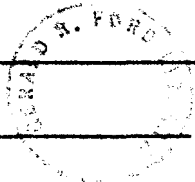
TO: VERN

FROM: CHARLES LEPPERT

Please Handle _____

For Your Information _____

Per Our Conversation _____



Other: **WHEN IS A CONVENIENT TIME FOR US TO MEET W/ TSUTRAS. NAME DATE, TIME + PLACE. I'LL HAVE NETTA MAKE THE APPOINTMENT.**

- Charles Leppert
FUB

CONGRESSIONAL RURAL CAUCUS

Congress of the United States

House of Representatives

EXECUTIVE COMMITTEE

BOB BERGLAND (D-Minn)
JOHN BRECKINRIDGE (D-Ky)
ED JONES (D-Tenn)
GILLIS LONG (D-La)
GUNN MCKAY (D-Utah)
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FRANK G. TSUTRAS
DIRECTOR

CAROL J. FORBES
LEGAL COUNSEL

4 March 1975

SUBJECT: THE PRESIDENT AND THE CONGRESSIONAL RURAL CAUCUS
TO: CONGRESSIONAL RURAL CAUCUS EXECUTIVE COMMITTEE MEMBERS
FROM: Frank G. Tsutras *frank*

At 2:00 PM today until approximately 3:00 PM, I had the pleasure of meeting with Charles Leppert, Jr., Special Assistant to the President for Legislative Affairs, in the CRC office to discuss the CRC operation, priorities, and purposes.

Charlie was formerly with the House Committee on the Interior and we have known each other from that relationship.

Charlie will call on us during the very near future for a follow-up discussion with Vern Loen, Deputy Assistant to the President for Legislative Affairs, after which this could lead to a special session with the CRC Executive Committee or the entire CRC membership. This will be discussed with the CRC Executive Committee prior to any additional action.

In the meantime, the nature of the discussion would be to hear from CRC members on what they think the President should be doing for rural development and agriculture and to establish a firm continuing dialogue with the CRC as a valid rural voice in the Congress.

I will report to you as additional discussion takes place.

Thank you.

Vern - FYI

CONGRESSIONAL RURAL CAUCUS Fno

Congress of the United States

House of Representatives

EXECUTIVE COMMITTEE
BOB BERGLAND (D-Minn)
JOHN BRECKINRIDGE (D-Ky)
ED JONES (D-Tenn)
GILLIS LONG (D-La)
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FRANK G. TSUTRAS
DIRECTOR

CAROL J. FORBES
LEGAL COUNSEL

FOR IMMEDIATE RELEASE

42975-62

WASHINGTON -- Congressman John B. Breckinridge is the new Chairman of the expanding Congressional Rural Caucus.

MP Announcement of the Kentucky Congressman's election to head the 91 member Caucus was made today by the group's Executive Committee. Executive Committee members, including Breckinridge, are Bob Bergland (D-Minn.), Ed Jones (D-Tenn.), Gillis Long (D-La.), Gunn McKay (D-Utah), Charlie Rose (D-N.C.), and Don Young (R-Alaska).

The Congressional Rural Caucus is a bi-partisan group of U. S. Representatives from 35 states, dedicated to the orderly growth and development of thousands of small towns and communities which dot the Nation.

Breckinridge, one of the Caucus' original members, said he is highly honored to be named as the group's first Chairman. He said he welcomes the challenge of playing a key role in enhancing the quality of Rural America, including his own rural Kentucky.

The second-term Congressman said he views his new position as one of advocacy because the small towns and rural communities lack a unified voice.

"We in the Rural Caucus are that voice," Breckinridge emphasized, adding that the small towns and communities do not have paid lobbyists to plead their case.

In listing priorities, Breckinridge said the most important priority for the Caucus at this time is to take inventory of the Nation's capabilities and needs and then set in motion programs to satisfy those needs.

"Among our special aims will be the gathering of information from all committees and subcommittees of the House of Representatives to make certain that

Congressionally-approved programs are carried out effectively and to the benefit of Rural America," he pointed out.

Breckinridge said he will soon take a poll of members of the Rural Caucus to come up with a fresh and innovative legislative agenda, one especially tailored to the needs of rural Americans in such areas as rural water and sewage treatment facilities, development, education, health, housing, manpower, public works, transportation, and agriculturally related programs.

"We want to get ideas from as many sources as we can," he said. "Our ideas and thinking won't be set in concrete. They will always be subject to change as the situation may require."

Breckinridge has been one of the stalwarts in the area of Congressional oversight for expenditures and impoundments. Last year, he was instrumental in a CRC suit filed against the Nixon Administration for release of \$4.5 billion in impounded funds for community development.

Breckinridge has had considerable administrative experience. Prior to being elected to Congress, he served two terms as Attorney General for the State of Kentucky and is past Chairman of the Committee on the Office of the Attorney General of the National Association of Attorneys General. In 1968 and 1969, Breckinridge was named the Nation's outstanding Attorney General.

Breckinridge, a native of Lexington, serves on the House Agriculture and Small Business Committees, including the following subcommittees: Family Farms and Rural Development; Tobacco; Department Operations, Investigations and Oversight; SBA and SBIC Legislation; and SBA Oversight and Minority Enterprises.

U.S. HOUSE OF REPRESENTATIVES

WASHINGTON, D.C. 20515

PUBLIC DOCUMENT

OFFICIAL BUSINESS

Charlie Rose
M.C.

THE PRESIDENT

The White House

Washington, D.C.

September 8, 1975

MEMORANDUM FOR: JIM CANNON

THROUGH: MAX FRIEDERSDORF
VERN LOEN

FROM: CHARLES LEPPERT, JR.

SUBJECT: Library of Congress Study on Rural
Development Goals

Attached for your information is the Library of Congress study on Rural Development Goals. The study was requested by the Congressional Rural Caucus.

Attachment

CL:gcb



CONGRESSIONAL RURAL CAUCUS

Congress of the United States House of Representatives

EXECUTIVE COMMITTEE
BOB BERGLAND (D-Minn)
JOHN BRECKINRIDGE (D-Ky)
ED JONES (D-Tenn)
GILLIS LONG (D-La)
GUNN McKAY (D-Utah)
CHARLIE ROSE (D-NC)
DON YOUNG (R-Alaska)

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FRANK G. TSUTRAS
DIRECTOR

CAROL J. FORBES
LEGAL COUNSEL

September 8, 1975

Mr. Charlie Leppart
Special Assistant to the President
The White House
Washington, D. C.

Dear Charlie:

This is page 5 that was missing from the Library of Congress
Critique.

Frank G. Tsutras



Congress of the United States
House of Representatives
Washington, D.C. 20515

OFFICIAL BUSINESS

John B. Buckinridge
M.C.

PERSONAL ATTENTION

Mr. Charlie Leppart
Special Assistant to the President
The White House
Washington, D. C. 20500



THE LIBRARY OF CONGRESS
Congressional Research Service

WASHINGTON, D.C. 20540

RURAL DEVELOPMENT GOALS:
CRITIQUE OF THE SECOND ANNUAL REPORT
OF THE SECRETARY OF AGRICULTURE TO THE CONGRESS

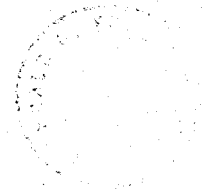
Prepared at the request of
The Congressional Rural Caucus

By

Morton J. Schusheim
Coordinator

Richard L. Wellons
Pauline Smale
Philip Winters
Herman E. Schmidt
Paul Irwin
Susan Abbasi
Sandra S. Osbourn

August 22, 1975



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Economics Division

Community Facilities Philip Winters
Economics Division

Health Herman E. Schmidt
Education and Public Welfare Division

Education Paul Irwin
Education and Public Welfare Division

Housing Richard L. Wellons
Senior Specialist/Economics Divisions

Environmental Protection Susan Abbasi
Environmental Policy Division

Population Sandra S. Osbourn
Government and General Research Division



Rural Development Goals:
Critique of the Second Annual Report

Overview

Is the economic and population base of Rural America receding or gaining strength? Have Federal policies and programs helped shape a turnaround? What should we as a nation be doing about the development and redevelopment of our rural communities?

A report on rural development goals issued by the Secretary of Agriculture would presumably help us answer such questions. The Second Annual Report of the Secretary of Agriculture to the Congress on Rural Development Goals^{1/} contains much useful information. But it sets no long-term numerical targets for jobs and income, community facilities and housing, or other needs of rural areas; it contains no in-depth analysis of the economic prospects of business and industry in rural places; it does not evaluate the effectiveness of existing Federal programs; and it offers no specific recommendations for new Federal policies or activities to revitalize rural areas. Thus some may question whether the most recent rural development goals report fully responds to the spirit of the law contained in Title VI of the Rural Development Act of 1972.

1/ Rural Development Goals, Second Annual Report of the Secretary of Agriculture to the Congress (Pursuant to Title VI, Section 603(b), of the Rural Development Act of 1972). If not otherwise specified, references to the "report" relate to this document.



What the Law Requires

The Rural Development Act of 1972 (Public Law 92-419) adds rural development as a basic concern of the Department of Agriculture and directs the Secretary of Agriculture to advise the President and the Congress on policies and programs designed to improve the quality of life for people in rural and nonmetropolitan areas (Sec. 603). The Secretary is charged with responsibility for coordinating a nationwide rural development program utilizing not only the programs of his own department but of all Federal departments and agencies. This is to be done in coordination with related programs of State and local governments. In furtherance of this mandate the Secretary of Agriculture is instructed to establish rural development goals in connection with employment, income, population, housing, and quality of community services and facilities. He is required to report to Congress each year prior to September 1 on progress in attaining such goals.

The law does not define the term "goals" or specify the procedures by which goals in the several sectors shall be established. The requirement for annual reports on progress toward the goals suggests, however, that the goals should, where possible, be in the nature of numerical targets to be accomplished over a specified period of time.

There seems little doubt that Congress intended the Secretary to develop a national program for rural development and not simply provide financial support for an assortment of disjointed local and State activities operating under the rubric of rural development. In



fact, when the Secretary of Agriculture attempted to delegate decision-making for rural development to the State governments, he was prohibited from this course of action by the Congress. An amendment to the Agriculture and Consumer Protection Act of 1973 states: "No grant or loan authorized to be made under this Act shall require or be subject to the prior approval of any officer, employee, or agency of any State."^{1/}

The Secretary's Approach to Formulating Goals

The Second Annual Report presents "tentative qualitative goals statements" for employment, income, population, housing, and community services and facilities.^{2/} These are stated in broad terms. The employment goal, for example, is set forth as follows:

"Employment--Assist in the creation of a climate conducive to growth in the employment base of rural America, thereby providing a range of job opportunities for those who wish to live in rural areas."

An alternative approach is to estimate the increase in jobs required to absorb the prospective growth in the labor force resulting from natural increase in population over the coming decade. The report takes cognizance of this approach in referring to the experience of the 1960s. During that decade in the absence of outmigration there would have been

^{1/} Public Law 93-86, Sec. 817.

^{2/} The First Annual Report, issued January 1974, consisted mostly of statistical background data on nonmetro conditions. A critique of the First Report is presented in "Goals for Rural America: An Analysis of the First Annual Rural Development Goals Report", a committee print of the House Committee on Agriculture, 93rd Congress, 2d Session, November 1974.

an estimated net increase in the nonmetropolitan male labor force of two million; in fact, the actual net increase was 139,000. But the report stops short of making such projections for the remainder of the 1970s or 1980s.

The report provides what is termed "quantitative goals statements or targets" based on budget figures of the Department of Agriculture for fiscal year 1975. For example, 12,000-15,000 new jobs are estimated to result from business and industrial loans guaranteed by the Farmers Home Administration; another 35,000-42,000 manyears of "one-time" work are projected for construction of new public facilities authorized under Title I of the Rural Development Act of 1972. Such one-year estimates are normally presented with or as "program levels" or "workload" rather than as goals or targets.

The multiplier effect of such programs is recognized but not quantified. Thus the report refers to "an undetermined number of continuing jobs generated in supporting businesses." There are methods for estimating the series of expenditures and labor requirements that follow an initial capital investment. Inasmuch as the multiplier effect is adduced as a major reason for governmental loans or loan guarantees, one would think that the Secretary would prepare such estimates for federally-aided outlays in rural areas.

An obvious gap in the report is the paucity of discussion of goals and progress toward goals of Federal programs that are not administered by the Department of Agriculture. In connection with housing, as an illustration, there is virtually no mention of conventional public housing, the leased housing program (Sec. 8), or community development block grants--Federal programs available through the Department of Housing and



Urban Development. In the discussion of water and waste systems, the Secretary's report focuses on the relatively small loan and grant programs administered by FmHA. The much larger grant program for sewage plant construction administered by the Environmental Protection Agency and programs of the Appalachian Regional Commission and the Economic Development Administration are mentioned only in passing. The report says:

"The impact of these programs on the needs of rural communities for water and waste disposal systems cannot be assessed because adequate data are not currently available."^{1/}

Failure to secure such information may result in a shortchanging of rural communities in the distribution of Federal funds. It may also suggest that the Secretary of Agriculture is failing to exercise strong leadership within the executive branch on all Federal activities and programs of potential importance to the development of rural communities.

Further evidence of this parochial outlook is found in the thin treatment of goals for functional areas that are not specified in the legislative language, yet are basic to improving the quality of life and livelihood in rural America. Among these functions are health, education, transportation, and the credit system. As noted in the memorandum on health elements, the Secretary's goals statement on health excludes programs of the Department of Health, Education and Welfare and the Veterans Administration. In limiting itself to rural health outlays funded under the Rural Development Act, the report covers less than three percent of total Federal health outlays in rural areas.

^{1/} Rural Development Goals, op. cit., p. 11.



The weaknesses of the Secretary's Second Annual Report on Rural Development Goals evidently result to some degree from a basic philosophical disagreement on the part of the Administration and the Secretary with the thrust of the law passed by the Congress in 1972. The Secretary's report states:

"The articulation of these types of comprehensive goals for ... the residents of nonmetropolitan America is a complex undertaking which poses a dilemma for the executive branch. To arbitrarily set specific goals at the Federal level implies a centralization of Federal control and depth of Federal wisdom and capability that is at variance with this Administration's philosophy of fostering a more decentralized government."^{1/}

It seems clear from this statement that the Administration and the Secretary of Agriculture do not believe in strong Federal leadership in connection with rural development. They would prefer to delegate this responsibility to State and local officials. And they question Federal competence "to arbitrarily set specific goals" for rural America. It may be noted that the legislation enacted by the Congress in this regard does not suggest that the Secretary "arbitrarily" set specific goals nor that he act capriciously.

The law does direct the Secretary of Agriculture "to provide leadership and coordination within the executive branch and ... assume responsibility for coordinating a nationwide rural development program ... in coordination with rural development programs of State and local governments."^{2/} The statute calls for cooperation with State and local

^{1/} Rural Development Goals, *op. cit.*, p. 1.

^{2/} Public Law 92-419, Sec. 603(b).



officials. But Congress considered and rejected an Administration proposal to enact a rural revenue sharing program under which State and local governments would largely decide on how federally-collected dollars would be spent in rural areas. Congress deliberately chose a policy of substantial Federal involvement in improving the quality of life in rural areas. This policy was to be advanced by the setting of goals and periodic reports on progress toward these goals. The Secretary of Agriculture may disagree with the "philosophy" of the Rural Development Act of 1972, but he is duty-bound to implement it.

Some Unanswered Questions on Rural Development

The Secretary's report leaves many large questions about rural development unanswered and, in some cases, unasked. Some of these questions are raised here. A more extensive treatment of these and other questions will be found in the attached memoranda prepared by subject specialists of the Library of Congress.

1. Income

The income disparity between metropolitan and nonmetropolitan families appears to have narrowed since 1970. Is this a significant trend? Can it be reconciled with an apparent continuing wide gap when income is measured per person? If the gap in income between metro and nonmetro families has actually narrowed, what factors underlie this improvement?

2. Employment

Current unemployment rates in rural areas do not appear to differ substantially from those in metropolitan areas. Do these figures tell the whole story? What is the nature of underemployment in rural areas? How many workers feel compelled to hold more than one job? How do wage rates compare as between nonmetro and metro workers with similar skills?

3. Manpower Training

What has been the impact of federally-funded manpower development and training programs on rural areas? Should rural manpower training programs prepare workers only for jobs likely to be available in rural areas or also for skills required in urban areas?

4. Credit Requirements

Are many rural areas or rural-based businesses chronically credit-short? If so, is this because yields for comparable risk investments are lower in rural areas? Or is it due to an underdeveloped system for harnessing savings or steering outside funds into rural communities? What proportion of potential rural business and industrial investment is being accommodated by the loan programs of FmHA and the Small Business Administration? What types of activities are being financed through these Federal programs and what do they mean in terms of jobs, wage rates, and incomes when their ripple effects are taken into account?

5. Transportation

An efficient transportation network is a key factor in the economic growth of a regional or local economy. Are many rural areas failing to grow because of curtailment of rail services or the inadequacy of highways? Can a case be made for a big increase in federally-funded transportation services for rural areas?

6. Sewer and Water Facilities

What is the range of need in rural areas for sewer and water facilities and other community facilities over the next five to ten years? What proportion can be handled by the present scale of Federal loan and grant programs? What standards are appropriate for places of different population size and density?

7. Health

What are the particular health problems of rural areas and how are they to be met? With 672 counties and service areas designated as critical health shortage areas ^{1/} and nonmetro populations generally underprovided with medical care, what can be done to induce an adequate number of doctors and related health personnel to locate in rural areas? What are the additional elements of an effective and affordable health delivery system for rural communities?

^{1/} Source: National Health Service Corps. Public Health Service, February, 1975.

8. Education

Rural youth of all ages are among the poorest performers in a wide range of subjects in nationwide tests. What can be done to raise educational achievement of students in rural areas? How are the special financial and administrative problems of sparsely populated educational systems to be addressed? The Federal government pays only a small portion of the costs of primary and secondary education in rural (as well as metropolitan) areas. Can a case be made for increasing Federal support in this sector?

9. Housing

The 1968 Housing Act called for the production or rehabilitation of 6 million subsidized housing units for low and moderate income families over the following ten years. While the act did not apportion the national housing target between metro and nonmetro areas, on a population basis about 2 million subsidized units would be provided in rural areas over the 1969-78 period. According to the 1970 Census, there were 2.2 million households in nonmetropolitan areas occupying units lacking toilets or other facilities that constitute full plumbing in a house. Of these households, more than half (1.2 million) had incomes below the poverty line (then \$3,743 for a nonfarm family of four persons). Few of these families would have enough income to participate in existing FmHA housing programs, even those providing interest rate reduction subsidies down to 1 percent. What kind of housing programs can be devised for such very low income families?

With regard to the on-going FmHA housing programs, Administration guidelines are placing increasing emphasis on utilizing existing housing rather than financing new construction. Will this not tend to increase prices of existing housing in rural communities with tight markets without adding much to the supply available to lower income families? How does this departmental emphasis square with a USDA study published in 1975 that found fewer than 200,000 adequate vacant units situated in nonmetro counties having the worst housing? 1/

1/ VACANT HOUSING: Is it Adequate and in the Right Places? By Ronald Bird. Economic Research Service, U.S. Department of Agriculture. Statistical Bulletin No. 536. February 1975.

10. Environmental Protection

The extractive and agricultural activities carried out in rural areas historically have been aimed at taming the natural environment rather than protecting it. Only in recent times has the nation come to recognize the importance of maintaining the quality of the natural environment and preserving it for future generations. What are the components of a balanced environmental policy for rural areas? Has such a strategy begun to emerge under the National Environmental Policy Act? Has compliance with the act or related legislation worked a severe economic hardship on many rural industries or communities? If so, what compensatory policies or actions are indicated?

11. Population Settlement Policy

Does the nation have a coherent population settlement policy? Several legislative enactments have called for balanced growth and implied that the nation would be better off if the migration into metropolitan areas could be slowed or reversed and rural communities stabilized. If there is a coordinated effort within the executive branch to foster this goal, it has escaped the attention of most observers. What is the significance of the turnaround in population growth rates in the 1970-1973 period? That the highest rates of growth were in nonmetro counties adjacent to metro counties should restrain the enthusiasm of ruralists, since this suggests the inexorable spread of the metropoli. The fact that noncontiguous counties outside of metro areas also grew faster than metro areas, albeit not as rapidly as adjacent nonmetro counties, may be a more hopeful omen.

But what price growth? The very qualities ruralists seek to preserve can be undermined by rapid or dense growth. As an attached memorandum suggests, measures must be taken if we are to assure that people moving to rural areas to secure a particular quality of life do not destroy, by their very numbers or demand for supporting services, that quality of life.



What Congress Can Do1. Require quantitative goals

The foundation of a sound policy is a careful assessment of needs and the setting of targets for designated functions. In the Second Annual Report on Rural Development Goals, as in the First, the Secretary has declined to set multiyear quantitative targets or goals for income, employment, housing, and other concerns vital to the rural population. If the Congress wants quantitative targets in these areas to be set at the national level for time-specific future periods, it could amend Section 603 of the 1972 Rural Development Act. At the request of Senator Lee Metcalf, the General Accounting Office prepared amendatory language that would clarify congressional intent:

The report shall set forth in qualitative and quantitative terms progress in meeting the goals and objectives of the long-range rural development plan for America. 1/

2. Specify additional priority concerns

The Secretary's Report gives little attention to such functions as transportation, credit requirements, health, and education. These and other functions could be added to the concerns presently included in the goals requirement of Section 603.

3. Clarify the goals-setting process

The Secretary's Report implies that goals are to be set at the national level by aggregating local goals. It refers to "limitations of the state of the art of setting locally derived goals on

1/ Guide to the Rural Development Act of 1972, Committee on Agriculture and Forestry, United States Senate (December 10, 1973), p. 47.

a national scale."^{1/} While local and State input is clearly necessary, the priorities of local and State governments may not necessarily coincide with national needs and priorities. For example, some local governments may seek to zone out lower income housing or anything but research laboratories and similar "clean" industrial investments. Yet the nation as a whole has a stake in providing a place for such families and industries. Whenever there are large externalities, as with air and water pollution, regional and national considerations supersede local ones. Thus the Congress may want to make it clear that the formulation of rural goals by the executive branch is to be performed in light of national needs and concerns.

4. Reassignment of responsibility for rural development

When Congress has authorized major new responsibilities for the Federal government, it has frequently established new agencies to implement the new function. Such was the case with environmental protection, the antipoverty program, and the space program.

If rural development is to receive priority attention within the executive branch, it may be necessary to establish a new independent agency to administer the program. A new agency can sometimes attract more dynamic leadership and energetic personnel than established departments. Congressional committees debated the question of whether to establish an independent agency

^{1/} Rural Development Goals, op. cit., p. 1. Emphasis added.

for rural development but finally determined to lodge the function in the Department of Agriculture. In part this decision represented a vote of confidence in the Farmers Home Administration as an operating agency. That confidence may have been justified. The critical question is whether the Secretary of Agriculture is able and willing to develop and promote a broadscale rural development program for the nation. Organizational rearrangements do not ensure the success of a policy or program. But surely it will be considered by Congressional proponents of rural development if the feeling grows that the Department of Agriculture is not fully committed to carrying out a major mission mandated by law.

UNITED STATES GOVERNMENT

Memorandum

TO : Morton J. Schussheim
Senior Specialist in Housing

FROM : Richard Wellons, Research Assistant

SUBJECT: Rural Employment and Income Goals Report

DATE: August 12, 1975

The general employment goal, according to the Rural Goals Report, is to develop job opportunities in rural areas that have incomes equal in purchasing power to those in metropolitan areas. In furtherance of this goal, the report sets several objectives for rural areas: higher skill levels; an upgraded mix of jobs; and a higher participation rate for women and minorities. The degree to which these are presently problems is not indicated. Neither does the report provide historical or current data on the rates or characteristics of rural unemployment or income that could define the magnitude of the problem and the assistance required.

Some information of this type is available. According to Bureau of Labor Statistics data for the second quarter of 1975, there were about 28 million people in the labor force in nonmetro areas out of a total non-metro labor age population (16 years or older) of some 48 million. One-third of the labor age group lived in poverty areas.^{1/} Over the past

^{1/} Poverty areas are defined by BLS and the Census Bureau as those areas in which 20 percent or more of the population were living in households with incomes below the poverty level, based on surveys of the 1970 Census. (The poverty income cutoff used in the 1970 Census was \$3,743. In 1974 it was \$5,038. "Poverty areas" will not be redesignated until the 1980 Census.)



year, nonmetro poverty areas experienced both a substantial increase in joblessness and a decline in participation rates. The jobless rate for nonmetro poverty areas rose to 8.5 percent (not seasonally adjusted) in the second quarter of 1975 from 4.9 percent a year earlier. About 2.3 million people in the total nonmetro labor force were unemployed (8.3 percent), of which 811,000 lived in poverty areas.

Census Bureau surveys reveal that the median income in 1974 of families in metropolitan areas was about 25 percent greater than the median income received by families in nonmetro areas--\$13,771 versus \$11,045. While this remains a significant income gap, figures show that it has been narrowing steadily since 1970 in terms of median income. In 1970, metropolitan median incomes were 29 percent greater than those in nonmetro areas. In 1972 they were 26 percent greater and in 1974 they fell to just under 25 percent more than those in nonmetro areas. In dollar terms, metro median incomes rose more over the five-year period than did nonmetro incomes (\$3,491 versus \$3,063). But 1974 nonmetro incomes increased at a greater rate (38.4 percent over 1969) than those in metro areas (34 percent).

When metro-nonmetro incomes are compared in terms of median family incomes, nonmetropolitan areas appear to be steadily closing the gap. However, a recent USDA study that makes comparisons in terms of per capita personal income implies that the gap is not narrowing, but has widened in favor of metropolitan counties. This discrepancy that appears when different measures of income are used makes it difficult to determine whether or not the relative economic situation of rural Americans is actually improving. Since the goals report gives little indication of this, a comprehensive study of such discrepancies is in order, perhaps by the USDA's Economic Research Service, to provide the needed clarification.

Such figures indicate that a substantial gap in income and employment opportunities does exist between metro and nonmetro areas. The report states that "...it would seem that the stabilization of rural population follows from job creation sufficient to absorb natural increase in the male work force." Recent population studies show that the long outmigration from rural America is slowing and in some areas has been reversed. Between 1970 and 1973, population growth of nonmetro counties was faster than that of metro areas. While nonmetro counties adjacent to metropolitan areas experienced the largest relative gains in population, even more remote counties outpaced metro counties. Whether the recent faster rural growth rates continue into a long-term trend may now depend on how much support is given to rural job creation. The goals report is silent on the issue but questions whether a stabilized or increasing rural population would necessarily be in the "national interest."

In the absence of sufficient and reliable data on rural income and job needs and with a policy direction yet to be determined, the report explains that "the setting of realistic rural income and employment goals [is] most elusive. Thus, quantification of these goals for FY 1975 is confined to the job-producing expectations associated with funding levels anticipated for Title I of the Rural Development Act." From the assumption that a \$20,000 business investment creates one job, the report projects that from 12,000 to 15,000 new jobs can be generated by the \$300 million available to FmHA for business and industrial loans in fiscal 1975. (The actual amount appropriated by Congress for such loans in fiscal 1975 was \$350 million.) Other federally-generated jobs are expected to result from



\$600 million in funds for public facilities authorized under Title I of the Rural Development Act. The report declines to estimate how many long-term jobs might be created by the operation and maintenance of the facilities, but estimates that 35,000 to 42,000 man-years of work will be required for their construction. (Actual amounts appropriated for fiscal 1975 came to \$820 million for community facility loans and water and waste disposal loans and grants.)

It is difficult to determine how accurate the report's estimates may be as to the number of jobs that can be generated by federal funds. Part of the problem is the inherent difficulty of calculating such estimates. It would have been informative if the report had provided similar estimates of how many jobs resulted from funding levels of past years.

Although estimates are given for the number of jobs generated under the Rural Development Act, no estimates are given for the job-generating potential of other federal programs of similar size and type that also operate on significant levels in rural areas. These include Environmental Protection Agency construction grants for waste water treatment works, the Commerce Department's Economic Development Administration loans and grants for public works and business development, Appalachian development programs, Transportation Department construction programs, HUD community development block grants and loans, and the Treasury Department's general revenue sharing funds. Appropriations available for obligation in nonmetro areas under these programs in fiscal 1975 amounted to about \$1.2 billion, not including Transportation or general revenue sharing funds.

Job opportunities in rural areas have been greatly affected by advances in farming technology and changes in the structure of agriculture. Mechanization and agribusiness have led to shrinking employment opportunities, forcing millions of farm laborers and small farmers to seek nonfarm jobs. From 1960 to 1970 seasonal farm labor requirements diminished by an estimated 30 percent. Many of those who lose their jobs and must find new nonfarm employment often do not possess the necessary skills to make this transition. Federally-funded manpower training programs are specifically designed to provide these needed job skills. In fact, the three goals that the report lists as necessary for improving rural employment--higher skill levels, an upgraded mix of jobs, and higher labor force participation rates--could be attained with the help of such tools as the rural manpower training programs. Yet the role of these programs is barely mentioned in the goals report, aside from such related but smaller programs as research and education authorized under the Rural Development Act.

Manpower programs and services that operate in rural areas are monitored by the Department of Labor's Rural Manpower Service. Services offered include job development, training, counseling and placement. Programs that have operated in rural areas on significant levels include Public Service Careers, On the Job Training, Neighborhood Youth Corps, Concentrated Employment Program, Operation Mainstream, JOBS, Concentrated Services in Training and Education, National Migrant Worker Program and the Work Incentive Program. For those programs for which an urban/rural data breakdown was available, it has been estimated for fiscal 1972 that the new rural enrollment in the manpower training programs numbered 323,600, or 21 percent of

the total enrollment in the nation. Funds obligated for rural enrollees were estimated at \$322 million. More recent data on the accomplishments of manpower programs in rural areas are not readily available. The Rural Manpower Service had been compiling such data until 1973 when, with the passage of the Comprehensive Employment and Training Act, more management responsibility for these programs and for Manpower Revenue Sharing was delegated to State and local governments.

Manpower training programs operating in nonmetro areas have faced a number of problems, but have also, in some cases, had a positive impact. Most major programs appear to be designed mainly for urban residents, such as the JOBS program, leading many to believe that rural America receives a disproportionately low share of Federal manpower development and training funds. This may be partly due to the lack of adequate jobs available in rural areas to justify the expenditure of more training funds. Training people for jobs that do not exist locally can lead not only to frustration but to further depletion of rural manpower resources when trained graduates must move to urban areas for jobs. Apart from the question of effectiveness, it is also more difficult for manpower programs to serve rural areas when the population to be served is small and dispersed over a large area. Another major problem that may be a factor in the low allocation of manpower funds to rural areas is the lack of knowledge on the part of some local rural officials as to what assistance is available, and the inability of some rural areas to submit qualifying plans and projects perhaps because of the lack of trained personnel.

Manpower programs that appear to have had the most favorable impact in rural areas are often those that are used to create jobs that, although temporary, offer real rather than "make-work" employment. Examples include Operation Mainstream and the Public Employment Program. The problem of serving large areas with small populations has been approached with the development of experimental, innovative programs specifically designed for such areas, such as the Area Concept Expansion (ACE) program, Concentrated Services in Training and Education, and the Smaller Communities Program. These programs can help to prepare individuals for existing jobs, thus alleviating outmigration, while also contributing toward the development of a well-trained workforce which will help to attract the new industry that is vital to rural development.

Rural employment and income goals may indeed be difficult to quantify, involving as they do a complex of economic and social factors. Yet the report neglects a number of areas that deserve attention: the magnitude of the problem; the question of policy toward rural growth; the actual job-generating impact of many other Federal programs; the role of available tools such as manpower training programs; and the actual prospects for attaining balanced objectives through reliance on the investment initiatives of the private sector.

UNITED STATES GOVERNMENT

Memorandum

LIBRARY OF CONGRESS

TO : Morton J. Schussheim
Senior Specialist in Housing

DATE: July 29, 1975

FROM : Pauline Smale
Economics Division

SUBJECT: Rural Goals Report: Credit Requirements

The Second Annual Report of the Secretary of Agriculture on Rural Development Goals sets forth goals or targets for certain programs funded under the Rural Development Act of 1972. This memo discusses the report's significance to the issue of rural credit needs.

The report focuses on the difficulty of organizing and implementing a national program to accomplish local goals. This requires the Federal system to be very flexible because the problems and targets of rural or nonmetropolitan areas vary so greatly. Credit needs are a prime example. Individual community requirements for funds are dependent on many and often diverse factors. For example, funds could be needed to start a small business or industry or capital could be required for farm improvements or new machinery.

Aside from the diverse nature of capital needs, a major problem is the economic principle that suppliers of credit seek the highest rate of return. Unless these rural projects can present a profit comparable to other projects, it will be difficult to direct or attract private funds to rural concerns. Most of the programs discussed in the report are dependent on government-related funds or grants. Public funds can be more easily directed, but it is still difficult to channel congressional appropriations to projects filling public need versus those with a more visible yield. Thus, a basic question



is the trade-off between economically feasible or attractive projects and social goals.

The report suggests a strategy of "goal-setting programs." Participants in the effort would be representatives from State, local and Federal levels of government. They would attempt to identify problems and develop realistic approaches to solve them. Finally, they would decide which level of government should be responsible for carrying out the solution. Responsibility would depend on many factors; for example: the source of program funding, the level having administrative control, proximity to implementation and commonality of objectives across jurisdictions. The credit needs of rural areas because of their diverse nature can best be handled at the local level. But while the focus would be at the local level, coordination and cooperation with national and statewide government and private financial institutions and agencies are essential. This is an easy formula to postulate; it is not a simple one to implement. The United States Department of Agriculture has the lead responsibility for coordinating Federal programs designed to promote rural development. The report's main emphasis is on USDA projects, which suggests the difficulty of inter-agency cooperation. The report discusses the problem of even identifying the effect of public programs scattered through the many departments, agencies and commissions of the government. USDA is attempting to deal with this problem of organization but the results are still very tentative. With respect to the private sector, the coordination problem is further complicated by the usual efforts of private firms and investors to seek a competitive edge and to maximize profits.

The report states that a major problem with the comprehensive national rural development effort under the Rural Development Act has been a lack of effective and interested local leadership. The "goal-setting program" approach could serve to spark and organize local interest into an effective, working group. With respect to rural credit needs, local leadership can exercise a large role in identifying problems and collecting information needed to formulate goals and programs. Local interest, leadership and organization are essential ingredients of an effective effort to enlarge rural credit resources.

The report briefly deals directly with the issue of rural credit needs. Credit needs of rural or nonmetropolitan areas can be served by both the public and private sectors. The report states that public assistance should serve to stimulate and complement investment by the private sector. The private, profit-oriented, financial institutions will need a financially sound reason or motive to direct funds into these areas. A balance has to be kept between needs and resources. Also, financial institutions must be made aware of the existing needs. Again cooperation between community level institutions and governments and national or statewide institutions and governments would be important.

The report presents five qualitative goals and selective quantitative goal statements, keyed to the funds available under the various authorities of the Act for fiscal year 1975. Specifically it stated that...

In this report quantitative goal statements or targets have been stated for selected Department of Agriculture (USDA) programs funded under the Rural Development Act of 1972 and other rural development programs. These goals or targets are



based on budgets and projections of the agencies responsible for the programs. They are presented with the above consideration as a limitation.^{1/}

Thus, there is no detailed discussion of the role the private financial sector currently plays or what the role of private financial institutions will be over the next decade.

^{1/} "Rural Development Goals-Second Annual Report of the Secretary of Agriculture to the Congress." Department of Agriculture. June 26, 1975. p. 3.

UNITED STATES GOVERNMENT

Memorandum

LIBRARY OF CONGRESS

TO : Morton J. Schussheim
Senior Specialist in Housing

DATE: August 18, 1975

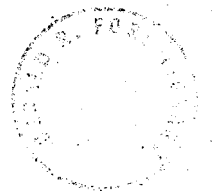
FROM : Philip Winters
Economic Analyst

SUBJECT: Rural Development Report: Community Facilities

For community facilities, the report mentions quantitative goals for FY 1975 in the areas of communications (telephones), electric power, water and waste systems, health systems, transportation, and other facilities.

The goal estimates are based on the number of applications for grants and loans received, the size of the budget and surveys to determine the number of people that will be served by the proposed projects. For a community to apply for a facility loan or grant, it must first submit a preapplication to the county or local FmHA office. With this preapplication, the local FmHA office determines whether the community is eligible to apply for a grant or loan.

If this is determined in the positive, the community files an application with the state FmHA office. There the application is approved or disapproved depending on need, funding levels, and the state of planning for the project at the local level. If the plan is approved, the work can start quickly or not for up to three years, depending on the status of the project, that is, how much preliminary work has already been done.



The loans for these projects can be repaid in a variety of ways. These include almost any type of guaranteed levy on the community; bonds, taxes, or user charges; it will depend somewhat on what is allowed by State law.

The report also provides backgrounds or histories on Federal involvement in community facility projects over the years. Future goal reports are to contain more policy backgrounds covering a wider variety of community facilities.

The report lacks an in-depth analysis of what the Federal government is trying to accomplish with these programs, whether the programs are working, and most importantly whether this is a proper area for Federal involvement.

Other questions remain unanswered and need to be investigated. One is whether there is a large backlog (or potential backlog) of applications for community facility grants and loans. Another is what are the criteria of "need" in a community's application for these grants and loans? And what is the breakdown between new and improved facilities that receive funding? Is the program subsidizing improved facilities when some communities still have none at all? These are questions that can and should be answered.

UNITED STATES GOVERNMENT

Memorandum

LIBRARY OF CONGRESS

TO : Mort Schussheim
Senior Specialist in Housing

DATE: July 25, 1975

FROM : Herman E. Schmidt ^{HKO}

SUBJECT: Critique of Health Elements Contained in the Document Entitled Rural Development Goals, Second Annual Report of the Secretary of Agriculture to the Congress

There is relatively little discussion of health in the report. The report states that quantitative goal statements or targets have been stated for selected Department of Agriculture (USDA) programs funded under the Rural Development Act of 1972 and other rural development programs. Although the statement is ambiguous, it is assumed that Department of Health, Education and Welfare and Veterans Administration programs, which are the major sources of health resources for rural areas, are excluded. Total health outlays for rural areas probably exceed five billion dollars a year, the major share being spent for beneficiaries of the Medicare and Medicaid programs. The principal weakness of the report so far as health outlays are concerned, therefore, is that it reports on less than three percent of total Federal health outlays for rural areas.

Regarding the general statement on health services goals contained on page twelve, it is agreed that there is a severe lack of adequate health services for rural areas. The specific goal overstates the need for specialists versus primary care doctors, since specialists probably

are best utilized for referrals and are best situated in larger population centers. The statement "solutions to health care deficiency in rural America remain to be proven by research and pilot experiments for large scale solutions" is questionable. It would appear that we now have a sufficient understanding of the problems of delivering care to rural areas as well as the ability to deal with them. With sufficient commitment and funding, therefore, there would appear to be a reasonably good chance of dealing effectively with health services shortages in rural areas. Although such an effort would have to be carefully planned and staged, additional studies and demonstrations would appear to have limited utility.

The health services goals might be restated to focus more on implementation of a program to move health resources into rural areas. It would appear, in addition, that it would be possible to quantify such goals based on fairly realistic assumptions.

UNITED STATES GOVERNMENT

Memorandum

LIBRARY OF CONGRESS

TO : Morton J. Schussheim

DATE: August 1, 1975

FROM : Education and Public Welfare Division

SUBJECT: Second Annual Rural Development Goals Report, June 26, 1975:
Education.

Education is not one of the five major goal areas spelled out by the Congress in the Rural Development Act of 1972. However, education can be considered directly linked to three of the five goals--employment, income, and community services and facilities--and there are indirect ties with the remaining two goal areas of population and housing. Furthermore, the Secretary of Agriculture is directed by the Act to advise the President, the Cabinet, and the Congress on policies and programs to improve the quality of rural life, and it could generally be expected that the quality of rural education would play some part in this advise. It may therefore be disappointing to some people to see education treated so lightly in the Second Annual Rural Development Goals Report by the Secretary of Agriculture.

Educational scholars and researchers have given considerably less attention to the special problems of rural education than they have to the problems of disadvantaged youth, such as racial and ethnic minorities and children from low-income families, to the problems of equal educational opportunity and to the problems of fiscal equity in the schools. Even though these problems and conditions often overlap with the problems of rural education, the emphasis on both research and discussion has usually been placed on education in metropolitan areas and large city school systems. The Rural Goals Report might well have been a forum for noting this imbalance and for suggesting policies and programs to study and then attempt to correct the special problems of rural education.

Besides the obvious importance of educational policies to rural income and employment goals, education might have been mentioned in the Rural Goals Report because of some of the few facts we do know about the area. First, the National Assessment of Educational Progress has consistently found that rural youth of all ages as a group have the lowest scores--with

the exception of inner city youth--of any group tested on a wide range of subjects. This alone should indicate that a serious problem exists for rural education. Second, we know that illiteracy rates are highest among the poor, and that rural America has a large proportion of families in poverty. Third, we know that school districts in sparsely-populated areas have special financial and administrative problems, and that these districts are predominately rural. It would seem unlikely that any program to encourage rural development could progress very far without at least addressing these problems. It may well be that items suggested in the Rural Goals Report such as 1,400 professional man-years of direct assistance by the Extension Service or 100,000 rural housing units should have higher priority in rural development than basic educational services, but if that is the case, it would have been helpful to the discussion to present the reasons for the priorities rather than generally to slight rural educational problems.

Paul Irwin

UNITED STATES GOVERNMENT

Memorandum

LIBRARY OF CONGRESS

TO : Mr. Morton J. Schussheim
Senior Specialist in Housing

DATE: July 31, 1975

FROM : Richard L. Wellons
Research Assistant in Housing

SUBJECT: Rural Development Goals Report - Rural Housing Goals

The housing goal is stated in terms of FmHA production levels to be reached in fiscal 1975. About 100,000 units are to be constructed or renovated. At least 40,000 of these will involve existing units, and 50,000 will be for low-income families. Actual production figures for all but the last month of fiscal 1975 show that these goals have already been reached. The 100,000 unit annual level was also surpassed in each of the preceding four fiscal years.

It is not explained in the report why the specific level of 100,000 units was set as a goal, nor how the proportions for existing and low-income units were arrived at. It is conceded that the targets are based on budget appropriations and that the goals are established under this limitation. As such, the goals that are "established" represent little more than budget allocations with low-income proportions already stipulated under Congressional guidelines. (It should be noted that "low-income" refers here to families who can support a loan at 1 percent interest--generally families with incomes over \$5,000.)

Production levels set as goals are apparently not correlated with levels of rural housing need. The report cites the 1970 Census estimate of 3.1 million substandard housing units (dilapidated or without plumbing) that are located in areas served by FmHA programs, but does not indicate how, or even whether, FmHA programs can alleviate this problem. No long range goals are set, only a unit level for fiscal 1975 that has already been met. The report states that "... when compared to need, the level of housing assistance that the Government can afford is small with the limited resources available." To utilize most effectively its limited resources FmHA intends to place more emphasis on programs for existing and rehabilitated units, thereby upgrading more housing at lower per-unit costs. But the report provides no indication of what the prospects are for such a policy. There are



no estimates of how many existing units could be brought up to standard through rehabilitation, of how many vacant or abandoned units exist, of where they are located, or of how goals for existing housing correlate to needs. In fact, a report prepared by the USDA in February 1975 entitled "Vacant Housing - Is It Adequate and in the Right Places?" indicates that there are few adequate vacant units (about 174,000) located in nonmetro counties having the worst housing.

An example is cited in the report of "perhaps the most dire rural housing situation"--that of the Alaskan native population, where some 8,000 out of 11,000 units were found to be substandard. Yet it is not explained how this single example is to be dealt with, let alone how FmHA goals relate to the other 3.1 million substandard units throughout the nation.

There is no indication of how increased responsibilities of FmHA might affect future goals. The Housing and Community Development Act of 1974 expanded FmHA housing areas by redefining eligible rural areas to include nonmetropolitan places with populations from 10,000 to 20,000 that have a serious lack of mortgage credit availability. The report states that this increased the number of substandard units in FmHA areas by about 160,000, but does not explain how this estimate was made. Population data based on the 1970 Census show that expanding eligible areas to places of up to 20,000 increases the number of people in FmHA areas by 50 percent, from 32 million to 48 million. The FmHA Administrator has stated in hearings before the House Appropriations Subcommittee earlier this year that FmHA rural areas will be expanded to about 434 additional communities, and anticipated a determination by HUD that a serious lack of mortgage credit exists in many of them. Such an expansion should greatly increase the rural housing responsibilities of FmHA. Yet no mention is made in the report of plans or goals to deal with future problems. There are no estimates of additional funding amounts that would be necessary; of how many more field personnel would be required to handle increased demand; of which programs might best serve the new areas; or even whether FmHA policies intend to make use of authorized but neglected programs such as farm labor housing loans and grants, self-help technical assistance programs and the rural rent supplement program. (The farm labor housing and self-help programs operated at low levels of activity in fiscal 1975. FmHA has not requested funds for any of the three programs for fiscal year 1976.)

In conceding that FmHA rural housing goals are modest when compared to need, the report cites a major theme of Federal policy toward rural housing by stating that "housing in the quantities required can be supplied only by encouraging private enterprise to build housing."



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TREATMENT OF ENVIRONMENTAL CONCERNS IN
THE RURAL DEVELOPMENT GOALS REPORT OF 1975

By

Susan R. Abbasi
Analyst
Environmental Policy Division

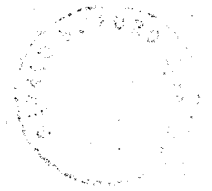
July 30, 1975



Environmental concerns are not discussed at all in the first section of the rural development goals report, which deals specifically with goal formulation and strategies. However, this is so despite the fact that in the following section, which reviews "USDA Rural Development Activities in 1974," a major share of the programs described deal with environmental improvement activities.

Thus, although the implementation of rural development goals has involved in large part programs which deal with environmental activities such as water resource improvement, wildlife conservation, pollution abatement, forestry activities, watershed improvement, waste disposal, and others, environmental improvement per se is not mentioned at any point during discussion of rural development goals.

This is particularly unfortunate, since the multiplicity of programs described by USDA that involve environmental purposes reveal significant fragmentation; and coordinated direction in the form of articulated environmental goals would be especially beneficial in the face of this fragmentation. All of the social goals articulated in the mandate for the report--employment, income, population, housing, and community services--involve some degree of environmental consequences. In view of the heavy emphasis on environmental programs to achieve the rural development goals, it would seem preferable to articulate a policy for the interaction of environmental considerations with the social goals. This is especially true in view of the fact that pursuit of admirable employment, investment, housing and community service goals can bring about quite adverse environmental side-effects



if they are not planned with the objective of minimizing these consequences. Thus the incorporation of at least a minimal statement of environmental quality considerations could be considered beneficial in order to encourage necessary planning to include these considerations in the initial stages of implementation of the other social goals.

The implementation of the environmental impact statement mandate of the National Environmental Policy Act is not discussed at any point in the report, although a large number of USDA programs described in the report would require such a statement. And even the implementation of the environmental impact statement requirement cannot be considered to effectively take environmental considerations into account. Without additional emphasis, environmental goals will not be achieved by an environmental statement, which experience has shown can be reduced to a procedural process quite empty of substantive impact.

There are several specific areas of discussion in the report where environmental concerns might beneficially be considered:

--On p. 2, in the general discussion of rural development goals, as discussed above;

--On p. 3, the statement is made that "the multiplicity of Federal programs concerning rural and nonmetropolitan conditions make it difficult to aggregate Federal investments into functional, results-oriented national goal statements." It is in this multiplicity that the implementation of many individual, uncoordinated programs results in cumulative environmental consequences that are unforeseen. It is important to guard against such

adverse side-effects whenever possible--and a stated objective to that effect would be helpful.

--On p. 5, the report indicates that rural development goals in the report are derived from review of current legislative provisions; yet the explicit national policy set forth in the National Environmental Policy Act provides for preservation of environmental quality in all Federal programs, and this goal, although of particular importance in development programs, is not mentioned among the goals of the report.

--On p. 7, in the discussion of investment objectives, jobs are the only beneficial result envisioned; yet there are long-term benefits to the community from guiding business investment into environmentally sound channels.

--On p. 8, among population goals it is acknowledged that a key consideration should be land use planning. The report states, "conservation and improvement of national agricultural production capacity, as a resource of key significance to domestic and international well-being, should be integrated with population and developmental policies whether they be urban or rural." The report does not outline any strategy for integrating land use planning into rural development goals, however, and goes no further than this statement in discussing its importance. In addition, land use planning is advocated only with respect to population distribution, although it could certainly be a focal point for decisions on housing and investment policies.

--On p. 10, it is acknowledged that it is an assumption of the report that basic community services such as waste disposal systems, electric

power, and water programs, go hand-in-hand with the desired economic development. Yet it is not discussed as a goal of this development that such facilities be planned in a coordinated, environmentally sound, and comprehensive manner. Such coordination is certainly desirable, and could be articulated as a focus for the rural development school programs which train local leaders to work toward enhancing the development potential of their areas.

--On p. 14, the absence of environmental emphasis is evidenced by the discussion of new communities as part of a rural growth strategy. The questions to be asked in connection with such communities, the report indicates, concern their geographic location, population mix, and economic characteristics. The report is silent on the question of environmental effects on the area in question, effects on the watershed area, pollution effects, and other environmental impacts on the surrounding area.

--On p. 15, under "Characteristics of Goals," rural development objectives are described as relevant to contemporary or long-range needs, socially acceptable, and consistent across programs. It would seem that protection of the environment would be a particularly relevant stated goal here, since it is in the process of development that the neglect of environmental protection has had most deleterious effects.

Summary

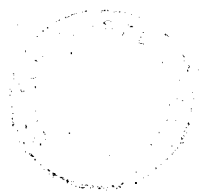
In short, environmental concerns in the rural development goals report are treated lightly.

As noted above, the programs to achieve development and facilitate

effective growth in rural areas involve activities which have profound effects on the environment.

It is particularly important in any development-oriented program, or set of programs, to deal squarely with environmental consequences; yet this has been the weak point in most economic/industrial/developmental efforts of our past. Thus substantial concern is voiced when the Federal Government fails to provide environmental leadership in dealing with goal-setting for the development of relatively undeveloped sections of the country.

As pointed out in the report, over-all goals are not well-articulated nationally for any of the subject areas dealt with in the discussion. Yet the coordination of some awareness of cumulative environmental consequences of scattered programs such as those that exist is especially important. It is exactly in the face of such fragmentation that adverse environmental side-effects become special, unforeseen problems.



UNITED STATES GOVERNMENT

Memorandum

LIBRARY OF CONGRESS

TO : Morton J. Schussheim
Senior Specialist in Housing

FROM : Sandra S. Osbourn
Analyst in American National Government

SUBJECT: Rural Goals Report: Population

DATE: August 7, 1975

Five years ago, the Congress used the Housing and Urban Development Act of 1970 (P.L. 91-609) and the Agricultural Act of 1970 (P.L. 91-524) to spell out a national goal with regard to the distribution of population in the United States. This goal is to establish a sound balance between rural and urban America by favoring those patterns of urbanization and economic development and stabilization which will afford the greatest choice as to the location of residences and will encourage the wise and balanced use of physical and human resources in large and small urban areas. Another element of this goal is to foster the continued economic strength of all parts of the United States, including smaller communities and rural areas, in order to help reverse trends of migration and physical growth which reinforce disparities among States, regions, and cities.

These goals were set in response to increasing dissatisfaction with prevailing migration and settlement patterns which resulted in more and more persons crowding into large metropolitan areas while rural areas and small towns were being drained of the population and resources necessary to keep them alive. There were many reasons for this migration, which has been called

"the largest movement of people ever to take place within a single nation in the history of mankind." Perhaps the most significant reason was that people simply had no choice but to move into large urban areas if they were to find good jobs and access to high quality public services which were available only in the larger cities. The primary objective of the legislation in seeking to establish a sound balance between rural and urban America is to provide those migrants who have been "voting with their feet" with a wider choice of settlement possibilities.

The Congress found that Federal programs affect the location of population, economic growth, and the character of community development; and, further, that these programs frequently conflict and result in undesirable and costly patterns of development which adversely affect the environment and waste natural resources. Consequently, the Congress urged that future Federal policies and programs should be interrelated and coordinated within a system of orderly development and established priorities consistent with the objective of achieving a more desirable settlement pattern.

The Second Annual Report on Rural Development Goals takes note of this population goal, and observes that the attainment of the goal "will depend on the availability of jobs, incomes, housing, community services and facilities, life style preferences, and other variables." This goes without saying, as the whole intent of the Congressionally stated goal of achieving urban and rural balance is to bring the full force of the Federal government to bear in an orchestrated effort to make available jobs, incomes, housing, and community services and facilities in small towns and rural areas as well as in large urban centers.

As the report notes, recent statistics show that rural outmigration has not only slowed, but in some areas has reversed. For the first time in the 20th century, nonmetropolitan areas are growing faster than metropolitan areas. Furthermore, while 1,300 nonmetropolitan counties were losing population during the nineteen-sixties, less than half that number -- 600 -- were still losing population during the 1970-1973 period. This turn-around has been attributed to several changes in American life, including decentralization of manufacturing, the growth of recreation and retirement areas beyond the traditional "sun-belt," earlier retirement with better pay for many people, growth stimulated by colleges and universities in nonmetropolitan places, a leveling off of the loss of farm population, an improved rural economy, the environmental movement, new attitudes among young people, and a narrowing of the traditional gap in rural-urban lifestyles. The goals report indicates that the urban-rural migration pattern varies from region to region, and is affected by various economic factors -- e.g., the resurgence of coal mining in southern Appalachia, increasing participation in nonfarm economic growth in the Southern Coastal Plains region, and a traditional, almost entirely agriculturally-based economy in the Northern Great Plains and Western Corn Belt with little foreseeable change. Clearly, any national policy regarding population settlement will have to take these regional differences into account. But this diversity does not preclude the establishment of broad population settlement goals with implementing policies and programs flexible enough to adapt to the needs of different regions at different times under changing circumstances.

The reversal of the migration patterns which have prevailed for so many years does not necessarily mean that the national goal of establishing a sound balance between urban and rural America has been achieved, and that the Federal government can simply sit back and watch the development of new settlement patterns. As the report notes, the overall goal is to achieve urban and rural population balance "consistent with the overall national goal for quality of life and economic health." It is essential that developing communities and growing rural areas not repeat the mistakes made by older urban areas which grew on an unplanned, haphazard basis. Some provision must be made if people moving to smaller communities and rural areas in search of a certain quality of life are not, by their very number and demand for supporting services, ^{to} destroy that quality of life. The report comments on this, with specific reference to the implications for land use, and observes that "Conservation and improvement of national agricultural production capacity, as a resource of key significance to domestic and international well-being, should be integrated with population and developmental policies whether they be urban or rural." It is impossible to quarrel with this statement, but no suggestions are made for resolving the problem.

It is not enough for the Federal government to simply monitor and record shifts of population, although this is certainly an essential element in developing and implementing population goals. Nor can the Federal government sit back and leave policy development entirely in the hands of States and local communities, if only because it is itself a factor in the location

of population. For example, a report prepared for the Colorado Rural Development Commission in 1973 set the following goals for Colorado's nonmetropolitan regions:

- (1) To counter economic decline and foster growth to the extent desirable and affordable.
- (2) To limit locally unacceptable rates of growth, or that growth which fails to cover its public and social costs.
- (3) To assure governmental capabilities at all levels to deal with decline and growth.
- (4) To preserve choice among life styles, including maintenance of existing rural and small town ways of life.

The authors developed a hierarchy of policies and objectives to implement these goals, but noted the following limitation on their efforts: "The Objectives should also respond to Federal rural development policies and programs affecting Colorado and its regions; but this will only be possible when Federal policies and programs are formed and clarified."^{1/} It seems unlikely that a perusal of the Second Annual Report on Rural Development Goals will leave policy makers in Colorado or anywhere else any wiser as to the future direction of the Federal government's role in encouraging sound settlement patterns. One can only assume from this report that there will be no coherent policy, but rather a continuation of a pattern of responding to the crises and dislocations created by population changes.

^{1/} U. S. Congress. Senate. Committee on Agriculture and Forestry. Getting a Handle on Rural Development: The Colorado Approach; Policy Analysis for Rural Development and Growth Management in Colorado. (Committee Print), Washington, U. S. Govt. Print. Off., 1973. p. 9.