IMPROVING THE SITUATION FOR FARM PEOPLE
IN SOUTHERN IOWA

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The 10-county southern Iowa area under study is basically a part of a much larger economic area which includes a small part of western Illinois, most of northern and northeast Missouri and almost 20 counties in southern Iowa.

The larger area is strongly rural having within its borders only three cities of 25,000 or more population, all of which are near its boundaries. The main settlement occurred in the 1840-1880 period. On the whole, the cultural background of the people is quite uniform. Most of the present population are descendants of those who migrated to the area from the Ohio valley–Kentucky region or further east. Their characteristics were described by Ward Bauder in an earlier report of this series.

The area is generally much alike in climate and soils, the latter being, on the whole, thinner, more rolling and less responsive than is true of Corn Belt soils as a whole. Farming is of the mixed feed grain and livestock type with relatively little specialization. As reported by others, industrial production plays a secondary role in the economy of the area.

We are concerned with the future economic and social development of the 10-county area. But what we have to say about these 10 counties will apply to the larger area as well. The early stage of economic growth and social development was, for its day, a rather intensive and generally successful one. In less than two generations, the whole area was transformed from a semi-wilderness to a settled, productive and respected agricultural region. For that day, it generally had good markets along the reaches of the Mississippi river. Farmers and the whole area prospered, though influenced by the ups and downs of the national economy. Grains, dairy products, hogs, beef, sheep and fruit, were the main farm products for both commercial shipment and local consumption.

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The settlers brought some capital with them. With energy and ingenuity, they soon created additional capital out of the plentiful supply of native timber as well as making use of such resources as rock quarries and water power and later the rather large coal deposits. They lost no time in converting the natural resources they found -- including the abundant fertility of the topsoil -- into the comforts and amenities of a civilized and prosperous rural area, dotted with towns, villages and farmsteads and, for that day, well supplied with churches, schools, academies and colleges.

Around the turn of the century, the midwest became fully settled and the nation rapidly advanced in industrial growth. But economic development in the area slowed almost to a halt. Another process of economic and social change in the area began -- that of population decline -- which has not yet fully run its course.

**Economic and Social Development**

The national and regional effects of economic growth have pressed in on this area largely through the medium of agricultural mechanization and related technological developments as well as exerting a pull of people away from the area. In broad terms, improved mechanization has raised the productivity potential of each farm worker, especially as it applies to the acreage of crops that one man can handle. Since, in a settled area, the acreage of farm land is essentially fixed, farms gradually increase in size to make use of the new mechanization. To the normal out-migration that goes on in a farming area due to the higher birth rate than the farmer replacement rate, there is added the pressure for out-migration due to the enlargement of farms. Barring such offsetting influences as industrial or similar growth, fewer people are needed in the towns and villages to service the rural community as a whole. So additional out-migration takes place from this cause as well. Thus, in southern Iowa, out-migrating people cross paths with the in-movement of machinery and other forms of labor-saving capital. Within the area, machinery and equipment increasingly replace people, an exchange that some do not interpret as progress if population loss goes hand-in-hand. In southern Iowa, this process has been going on for nearly half a century.

Such a change brings about a rise in per capita income over what it would otherwise be, it is true. But the total income of the area shows a much smaller rise while the per capita cost of public and private services that are closely related to the density of population is likely to rise substantially if locally financed. This is especially true for roads but also to a considerable degree for schools, churches and other public and private services. However, there is likely to be a decline in the quality and availability of such services rather than simply a rise in cost.
Economic development in an area can take place only where there is real potential for it. Frequently, the forces of economic growth tend to favor some areas at the expense of others unless public policy is actively used to bring about a more uniform pattern of economic and social development. The place in the United States where public policy to stimulate economic growth has been most extensively used is in the Tennessee valley. Without TVA, the Oak Ridge atomic development and other public or semi-public enterprises, the valley would be much less developed today than is actually the case.

Obviously, the benefits of policy actions of this kind are not available to the southern Iowa people at present nor are they likely to be in the decade or two ahead.

What Local People Can Do

The working out of the process of economic and social change in the southern Iowa area thus turns largely on those things that the people can, on the whole, do for themselves either privately or publicly. By the nature of the case, the changes suggested for local people to undertake frequently sound unattractive to many of them. For, lacking rapid industrial growth the consequences of many of these changes will be in the direction of stimulating the out-migration of those people not needed in the area while adding to the capital productivity and income of those who remain. This is essentially the process that has been under way in varying degrees for some 50 years -- a process accepted with reluctance by many local people. It is difficult to visualize any general enthusiasm in the area for suggestions that speed up the out-migration process. But if per capita income is to rise at a rate in keeping with that of the national average, a more adequate economic base per person living in the area is an essential requirement.

The assignment given this work group was to make recommendations for "action by farm people, steps farm people can take, and decisions they can make relative to their own welfare and that of individual family members." We have taken our assignment to be to make suggestions that call for changes or additions to the information and counsel currently going to farm people in the area but within the present framework of institutions and organizations.

Within these limitations, we see possibilities of providing the farm people with a more comprehensive range of information and assistance and for having it reach them in a more effective way. In saying this, we are aware of the need for being clear about the goals we seek. What goals should prevail?

We feel that the goals of the people themselves must be fully respected; it is their goals that should be realized if possible. However, education may be
needed to assist them in clarifying their own goals and in identifying more clearly the potential gains and costs to themselves of alternative choices available to them.

As to family goals in southern Iowa, it seems reasonable to assume that within the cultural pattern, the goals that call for a higher level of living, use of modern farming and homemaking methods and education and development of family members are not greatly different from those of Iowa farm families generally. General observation of farm families in the area as well as limited research results support this view.

We have much good information about the various potential gains in farming and homemaking available to farm people that would allow them to improve money income or provide for more effective use of resources by the farm family. However, we do not have equally good information on the costs to the individual, family or community of the changes suggested. We have limited information that can identify the social and psychological costs of a more rapid rate of change and adjustment in southern Iowa farming.

Suggestions

The suggestions below for southern Iowa people and their educators and leaders seem consistent with the observations above,

A. One possibility is to develop and carry out a public information program so that the people may be more clearly aware of the kind and range of assistance available from the Cooperative Extension Service and that of other organizations, agencies and groups that deal with farming, homemaking, family development and related matters.

B. A second possibility is to provide farmers with information and counsel on the potential gains and costs of cooperative efforts of various kinds. Related to this might be information on the more adequate and effective use of credit and the real as compared to the fancied risks in its use, and information for credit institution managers on how to work more effectively with farmers and farm groups.

C. A third large category includes educational help dealing with the better organization of the resources on individual farms, improvements in crop and livestock technology and related matters.

For example, corn yields in the area have declined relative to eastern Iowa and milk yield and returns per cow are below that of the rest of the state as
shown below.

Corn yield per acre (based on State Farm Census)

<table>
<thead>
<tr>
<th>Normal about</th>
<th>South Iowa</th>
<th>East Iowa</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1900</td>
<td>30.0 bu.</td>
<td>36.2 bu.</td>
<td>6.2 bu.</td>
</tr>
<tr>
<td>1925</td>
<td>35.0 bu.</td>
<td>42.7 bu.</td>
<td>7.7 bu.</td>
</tr>
<tr>
<td>1954</td>
<td>41.0 bu.</td>
<td>61.0 bu.</td>
<td>20.0 bu.</td>
</tr>
</tbody>
</table>

Dairy enterprise results:
(U. S. Census of Agriculture 1954)

<table>
<thead>
<tr>
<th></th>
<th>South Iowa</th>
<th>All of Iowa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Milk sold per milk cow</td>
<td>3,620 lbs.</td>
<td>4,410 lbs.</td>
</tr>
<tr>
<td>Price received per cwt.</td>
<td>$2.37</td>
<td>$2.58</td>
</tr>
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</table>

Ample evidence is available from experimental farms and cooperative field tests in the area to show that substantial increases in crop yields per acre that are economically sound are readily obtainable through a number of methods and practices such as the use of improved varieties, better fertilization and tillage methods, improved crop rotation and more effective weed and insect control. Similar improvements are possible with livestock on many farms. Such improvements would raise the farm output and income of the area with a modest increase in cash outlay and require no increase in labor or fixed capital.

D. A fourth category would include educational efforts dealing with farm homemaking and family living either in making more effective use of present resources or in considering the possibility of using additional resources.

E. The two possibilities above can be effectively approached through a farm and home development educational program. This type of extension work is flourishing across southern Iowa at present. It emphasizes the clear identification of family goals and appraisal of opportunities as well as better management in the current family situation. There are good possibilities for reaching more families with it and in improving the quality of the program.

Family possibilities that fit in with this type of approach include:

1. Add to money income, income in other forms or make more effective use of money or time through such things as:

   a. Increasing the number of earners per family.
   b. Becoming more mobile occupationally to make fuller use of time or increase family well-being; such as through a part-time job, joining a discussion group, making use of correspondence courses, etc.
c. Increasing home production of family consumption items; an especially useful method if the labor used has a low opportunity cost.
d. Making fuller use of "free" community resources for recreation, etc.
e. Improving ability as a consumer to plan more effectively, judge price, quality and the like.

2. Improve planning and management especially suitable for the age of the farm family.

a. For farmers 55 years of age or older:
   (1) Consider the full use of present facilities without adding to the fixed investment, thus gaining the benefits of depreciation as income.
   (2) Accept Social Security as soon as available.
   (3) Intensify cropping with a system that provides more immediate income.
   (4) Make use of management aid from Extension Service in farm and home planning.
   (5) Make arrangements to transfer resources to next generation but on basis of continuing income from capital.

b. For young farm families:
   (1) Weigh potential of off-farm employment opportunities against realistic appraisal of farm income potential in the time period of personal concern.
   (2) Push for horizontal farm expansion through renting of additional land and make use of credit to carry on an operation that makes full use of family's abilities, risks considered.
   (3) Purchase land only if equity is sufficient so family's future will not be unduly hampered by scarcity of capital for other needs.
   (4) Be alert for new techniques and methods, especially those that make for more effective use of labor but do not require capital outlays that cannot be readily managed.

c. For farmers 35 to 55. (This group includes a large share of the commercial farmers of the area. They are already heavily committed to farming as an occupation. It is a period of life when family demands in income are heavy; nevertheless, they are young enough to benefit from longer-term productive investments.)

   (1) Credit should be used for capital which will raise productivity; for example, terraces and dams to increase crop yields and make for more intensive land use; livestock, equipment and buildings that raise productivity per worker.
(2) Expansion of the acreage operated is frequently a better alternative than greater intensification of production on fewer acres.

(3) Put effort into the study of better management and use it to increase such things as the size of farm or the organization of resources and thus reduce costs per unit.

d. General

(1) Make fuller use of educational or other opportunities that develop management ability -- extension education or private farm management associations, for example -- and develop better working arrangements with progressive credit institutions.

(2) Develop skill in bargaining for appropriate rental rates (join other renters in this effort) and also for variable rates of principle repayment on fixed capital investments.

(3) Consider the possible gains (net) from use of contracts that provide additional management and capital resources.

F. No doubt farm people in the area can do much more than is now being done to make effective use of assistance of various kinds being offered at present, or that could readily be offered. To help them use these services more effectively would be a gain. It would be possible, for example, to widen the understanding among parents and young people of occupational opportunities and limitations within and outside of the area and the likely consequences of alternative choices in entering occupations as well as the effects of different levels of training preceding such entry. A good deal of such information could be supplied by present institutions. Or the better information might deal with problems of older people as to income, security, comfort and satisfactions of this age group.

G. Since the area is largely rural, farm people have a strong influence on the possibilities of (1) changing the institutions and organizations of the area so that they may serve the people better or (2) changing the programs offered by them. Education that gives people a broader understanding of the possible gains from institutional changes or that improves their capacity to expedite social change could be very worthwhile.

The list of suggestions above is not complete. It is illustrative of useful possibilities rather than being a full appraisal of the potential that is available from existing institutions and organizations in improving their contribution to southern Iowa people.