

The impact of the mechanism of autonomous growth of earnings differs from country to country. In concurrence with expectations, empirical analysis has shown that this mechanism is much weaker in the developing countries than in the developed market economies, while it is almost absent in centrally-planned economies.

The data for Yugoslavia are exceptionally well-adjusted to the given model of earning trends. The estimated values of the growth of personal incomes for Yugoslavia, based on the regression formulas used, differ insignificantly from the real ones. The relatively high inter-sectoral ranges of personal incomes, and particularly their rapid sectoral adjustment, cause a significant autonomous growth of personal incomes in Yugoslavia.

POVERTY IN RURAL AMERICA ANALYTICAL VIEW OF THE DILEMMA

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Poverty in rural America exists in both an absolute and a relative sense. What constitutes poverty in either sense is usually nothing more than a value judgement. To most, relative poverty, usually conceived in terms of relative income disparities, is unacceptable beyond a degree on equity grounds. However, the current attention focused on the poverty problem arises largely because a great many people in rural America live in a state of absolute poverty, and have failed to participate in the benefits derived from past development in any significant way.

How poverty is defined matters greatly in approaching the problem of ending poverty, for significantly different public policies spring from the definitions. The problem of ending poverty has some very serious social, political, and economic implications. Hence, we experience a varying degree of policy formulation and policy execution.¹ But regardless of the political and economic strategy adapted, most poverty policies are based on what are regarded by the policy formulators as social indicators.

Social indicators, however, do not provide a good measure of social conditions. Very little in the way of meaningful and durable results has come about from the considerable amount of work done on social indicators.² The establishment of some ordering principles that would make the selection of useful indicators possible is badly needed. It does not make sense to try to measure all social conditions as conceptually measurable, though, of course, some aspects of social conditions are conceptually measurable.

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¹ For a detailed analysis of these approaches see Dorothy B. James, *Poverty, Politics, and Change* (New Jersey: Prentice-Hall, Inc., 1972).

² See Jan Drownowski, "Social Indicators and Welfare Measurement: Remarks on Methodology." *Journal of Development Studies* 8 (April 1972), pp. 77-90.

If one can read the faces of the poor, one can understand the meaning of poverty.³ It means suffering from irregular and low productivity employment, poor nourishment, sickness and disabling disease, low life expectancy, and inadequate housing. In the United States, a country full of affluence, a little more than eleven percent of the population falls into this category. Of this total, more than one-third live in rural areas.

In this paper elaborate statistics will not be used, since statistics are so rapidly outdated, and notwithstanding the fact that numerous pages of statistics about the poor are ever so often published. Statistics on almost every aspect of poverty in the United States have been published at some time or other. But being poor is no statistical matter. Being poor entails a daily fight for survival — a real fight for survival in a society full of plenty.⁴

It may be worthwhile, at this point, to point out the decided scope of this paper. First of all, "rural" is used here in the traditional sense. That is, those non-urban, pastoral, rustic, bucolic areas of the United States. This definition confirms to the one used in the census reports. According to the census, "rural" persons are those living in towns or communities with 2,500 people or less, or in open country.

The main thrust of this study is to analyse from a social science framework the dilemma of rural poverty in terms of its extent and nature, how it contrasts with poverty in urban areas, and to point out a *specific approach* for reducing or eradicating that poverty. Hence, the originality in this study lies only in that aspect of it which advocates a possible policy solution.

II. THE EXTENT AND NATURE OF RURAL POVERTY

In rural America, poverty is prevalent among a large proportion of the population, and is of a very complex nature. Most of the poverty that exists there is usually attributed to unemployment and underemployment.⁵ However, the rural poor include people who live on the land they own and people who are tenant farmers, hired hands, or migrant farm workers. The rural poor are predominantly white in terms of absolute numbers, but poor blacks⁶ make up a larger proportion of the rural

³ Gerald Leinwand (ed.), *Poverty and the Poor* (New York: Washington Square Press, Inc., 1968), p. 15.

⁴ This point has also been vividly brought out in *Poverty Amid Plenty: The American Paradox*, A Report of the President's Commission on Income Maintenance Programs (Washington, D. C. November, 1969), p. 13.

⁵ Alan R. Bird, *Poverty in Rural Areas of the United States*, Agriculture Economic Report No. 63 (Washington, D. C.: USDA, November, 1964), p. 10.

⁶ Blacks here refers to non-whites. The non-white population is a predominantly negro one, but it includes substantial number of other minorities. Blacks will be used throughout this paper to indicate non-whites.

black population than is the case for poor whites. About 42 percent of poor blacks live outside metropolitan areas compared to 12 percent of poor whites.⁷

Rural poverty is particularly prevalent among persons aged 65 and over. About one-fifth of all elderly persons in rural areas live in poverty, compared with 15 percent in central cities and 12 percent in suburban areas.⁸ These elderly people are usually heads of households who, because

TABLE 1

SELECTED CHARACTERISTICS OF PERSONS IN RURAL AREAS,
BY RACE, BELOW THE POVERTY LEVEL, 1974
(Percentages)

CHARACTERISTICS	ALL RACES	WHITE	BLACK
TOTAL	14.4	11.7	42.4
SEX OF HEAD			
MALE	8.7	7.5	27.0
FEMALE	34.2	27.0	63.0
AGE 65 AND OVER	20.3	18.0	51.1
IN FAMILIES	12.9	10.1	40.4
HEAD	11.3	9.3	37.4
RELATED CHILDREN UNDER			
18 YEARS	18.1	13.8	50.2
RELATED CHILDREN UNDER			
6 YEARS	19.3	15.3	48.4
OTHER FAMILY MEMBERS	8.9	7.2	28.8
UNRELATED INDIVIDUALS	33.4	30.6	61.7
MALE	26.5	23.3	51.4
FEMALE	37.8	35.1	70.6
REGION			
NORTH AND WEST	10.2	9.8	29.7
SOUTH	19.9	14.6	43.5

SOURCE: U. S. Bureau of the Census, *Current Population Reports*, Series P-60, No. 102.

of physical condition, mobility factors, and discrimination, are unable even to obtain subsistence employment.

The aged possess limited earning potential. They generally are expected to live on pensions, savings, and other means such as welfare, and social security payments. But such funds are usually inadequate,

⁷ See U.S. Bureau of the Census, *Current Population Reports*, Series P-60, No. 102, "Characteristics of the Population Below the Poverty Level: 1974," (Washington, D. C.: U. S. Government Printing Office, 1976).

⁸ *Ibid.*

and they do not take into consideration the ever present variables such as rising costs of living. It therefore seems quite obvious that the aged poor will remain poor since they are the less likely to rise above poverty through their own efforts.

Poverty among rural families headed by females is one of the most serious problems of the present era. About two-thirds of all black families headed by women are poor as compared to one-third for the white families.⁹ The combination of a high poverty rate for families headed by women and the heavy incidence of such units among blacks explains a part of the racial composition of the poor.

The probability of being poor for those households headed by females is very high. This is so simply because the time needed for childcare purposes diminishes considerably the amount of time a woman has to accept outside employment in addition to the fact that there is gross discrimination against women in the job market. Even in those cases where a woman possesses special skills or training she is discriminated against in hiring practices, wage scales, and on the grounds of race for black women. Employers prefer men to women for purely traditional and mythical reasons.

The ultimate result of the existence of a household headed by an unemployed female is that of poor dependent children. The children become and grow up poor because their family head is poor. This category of rural poor has been increasing rapidly, especially among black families, and will continue to do so as long as the American political economy continues to function as it does now.

Rural America, like most developing countries, suffers from the problem of gross exploitation of the rural worker. The rural worker, regardless of his efforts, has to accept low-paying jobs. This is so because higher paying jobs are less available, there is lack of opportunities for training, and there is an abundance of unskilled labour that exists. This therefore means that the rural worker, quite unlike his urban counterpart, has to accept wages that are not only incomparable, but insufficient for even a mere subsistence level of living.

This brings us then to that popular phenomenon of educational attainment. The association between education, income, and poverty is a popular one. Formal education not only enhances the quality of one's life, it also pays a high dividend in material rewards.¹⁰ Those with little or no education will be at a greater disadvantage in the job market and hence will be more likely to suffer from the poverty dilemma. The ones that are more likely to suffer will be those towards whom there has generally been demonstrated a class bias. This is apparent when one considers who receives education, the differences

⁹ *Ibid.*

¹⁰ For an elaborate discussion of this issue see, for example, Theodore R. Marmor (ed.), *Poverty Policy* (Chicago: Aldine-Atherton Inc., 1971); Ben B. Seligman, *Permanent Poverty* (Chicago: Quadrangle Books Inc., 1970).

in quality of education received, and the impact of teachers' attitudes toward the poor.¹¹

Limited education does not guarantee a life of poverty, but it can have some very serious effects. The lower the level of education attained, the less competitive one becomes for higher paying jobs and hence the more susceptible to poverty.¹²

In effect, it can be argued that the poor participate in a separate and distinct labour market, a secondary labour market, which can be distinguished from the mainstream or primary labour market. From the perspective of the dual labour market hypothesis,¹³ the primary sector offers jobs with relatively high wages, good working conditions, chance of advancement, equity and due process in the administration of work rules, and, above all employment stability. Jobs in the secondary market, by contrast, tend to be low-paying, with poorer working conditions and little chance of advancement.

The dual labour market hypothesis was designed to explain the problems of the disadvantaged, particularly black, workers which had previously been attributed to unemployment. It implied that the basic problem was that they were somehow confined to jobs within the secondary sector, and the reported unemployment rates were essentially a symptom of the instability of the jobs and the high turnover among the labour force which held them rather than a literal inability to find work.

The variety of barriers alleged to exclude the poor from the primary labour market, in effect created the secondary market. Outright discrimination against minority groups or the poor, for example, excluded them from any of the trickle down effects of growth and development.

Another important determinant in the rural poverty matrix is that of the lack of certain basic social and general services. The incidence of this kind of poverty is more pronounced in the South, where there is a gross inadequacy of public services. Deficiencies in the transportation network, educational centers, medical care, and housing are very common there. A deficiency of these basic services will, in no uncertain terms, lead to a concentration of the poverty paradox. These de-

¹¹ Many works have been published on this issue, a few examples include Kenneth B. Clark, *Prejudice and Your Child* (Boston: Beacon Press, 1967); Charles Glock and Ellen Siegelman (eds.), *Prejudice U.S.A.* (New York: Praeger Publishers, 1969); David Henninger and Nancy Esposito, "Indian Schools: Regimented Non-Education", *The New Republic* 160 (February 15, 1969); John Burma (ed.), *Mexican Americans in the U.S.A.* (New York: Harper and Row, 1970).

¹² See J.N. Morgan, et. al., *Income and Welfare in the United States* (New York: McGraw-Hill Book Co., 1962).

¹³ For greater elaboration of this hypothesis see Michael J. Piore, "On-the-Job Training in the Dual Labour Market," in Arnold R. Weber, et al., (eds.), *Public-Private Manpower Policies* (Madison: Industrial Relations, Research Association, 1969), and, also Michael J. Piore, "Notes for a Theory of Labour Market Stratification", in Richard C. Edwards, et al., (eds.), *Labour Market Segmentation* (Lexington, Massachusetts: D.C. Heath, 1975).

ficiencies are definitely part of the economic and political factors that maintain and perpetuate American poverty.¹⁴

The origins of rural poverty in the South and the special problems of rural blacks are deeply rooted in the region's past.¹⁵ As W. W. Rostow noted, the South is the only region of the nation which had what could be called a "traditional" society in terms of economic development.¹⁶ About two-thirds of the black poor live in the South, an area where incomes continue to be lower than other parts of the United States. Prejudice, discrimination, and racism gave blacks little opportunity or incentive to improve themselves, or the conditions under which they live; and, despite the exodus of many black persons from the South in recent years, the South is still home for about half of all black families in the United States. The perpetuation of all forms of institutionalised racism created a situation of structural poverty with the effect that it was now even more difficult for blacks to escape the cycle of rural poverty.

Poverty is associated with a set of individual characteristics. But they are not all causes of poverty. Rather a result of the functioning of society. Howard Wachtel brilliantly summarises that

"If you are poor and have low levels of education it does not necessarily follow that low levels of education are a cause of poverty since education itself is endogenous to the system. The causes of inequality in education and their impact on incomes must be analysed by examining social class, the role of the state, and the way in which educational markets functioned."¹⁷

Hence, in any analysis of the poverty dilemma one has to be very careful not to give the impression that the causes and the nature of poverty are similar and can be used interchangeably. The nature of the poverty dilemma has resulted out of a society which malignantly neglected its social problems and totally disregarded its minority groups.

III. RURAL AND URBAN POVERTY: A COMPARISON

Poverty in America, whether rural or urban, contains some similar facets. The extent, nature, and occurrence of these facets may, however, vary within cities and metropolitan areas on the one hand, and the rural areas on the other.

The major influence on poverty in the urban areas is that of low earnings, underemployment, and old age. In the urban areas, incomes

¹⁴ Dorothy B. James, *Poverty, Politics and Change*, pp. 104-127.

¹⁵ Ray Marshall and Lamond Goodwin, *Cooperatives and Rural Poverty in the South* (Baltimore: The Johns Hopkins University Press, 1971), p. 6.

¹⁶ W. W. Rostow, *Stages of Economic Growth* (London: The Cambridge University Press, 1960), p. 18.

¹⁷ Howard Wachtel, "Looking at Poverty from a Radical Perspective," *The Review of Radical Political Economics* 3 (Summer, 1971), p. 2.

and standards of living are relatively higher than in the rural regions. Of course, standards of living within various urban regions differ, and this is due primarily to the employment situation in each urban area and its environs. The employment situation, of course, determines the number and kinds of jobs available, and this in turn has some effect on the wages that are paid. Now, there are some economic theorists who might argue that the wage levels in the urban areas are determined, by and large, by the competitiveness of employers for the existing and available stock of manpower. But one does not have to study economic theory to know that if this were true then there would not be twice as many unemployed blacks as there are whites.

At 9.2 percent the black unemployment rate continues to average double the white rate (4.7 percent).¹⁸ This simply means that such factors as racism, discrimination, and unequal opportunity continue to affect the economic survival of black people in America. Andrew Brimmer in his interesting article on "Economic Situation of Blacks in the United States" refers to the high and persistent level of black unemployment as a very serious matter.¹⁹

To the poor unemployed however, unemployment is now much more than a serious matter. It is a chronic dilemma that has resulted in their socio-economic detachment from the economy.

The American society is now more urban-oriented and progressively urban-dominated; so the dilemma of rural poverty remains. About 40 percent of the American poor live in rural counties but only 27 percent of the funds for income security and welfare go to those counties. Rural poverty areas are therefore outside of the nation's market economy. Continued and past economic growth have brought the rural poor few benefits and hence, the social characteristics of rural poverty continue to be very visible.

Besides being proportionately black, additional characteristics of the rural poor, as stated before, include being poorly educated, being elderly, lacking employment, suffering from disease and premature death, and living in atrocious houses. The risk of poverty varies with each of these factors but increases markedly when two or more of these factors are present.

The rural poor have gone, and continue to go, to poor schools. As such, the education levels of rural residents still lag far behind those of urban dwellers. In both educational facilities and opportunities, the rural poor have been short-changed.²⁰ About 32 percent of the nation's elementary and secondary school children are in rural schools, but urban schools get about 30 percent of the federal education grants.

¹⁸ U. S. Department of Labor, Office of Information, *The Employment Situation: February 1975* (Washington, D. C.: The Department of Labor, Document 72-289, February 1975).

¹⁹ Andrew Brimmer, "Economic Situation of Blacks in the United States," *The Review of Black Political Economy* 4 (Summer, 1972), p. 45.

²⁰ See The President's Advisory Commission on Rural Poverty, "People Left Behind", *Employment Service Review* (April, 1968).

The school dropout rates are not substantially different between rural and urban populations, but considerably greater proportions of urban than rural youth continue their education beyond high school. Among those who attend college, some studies indicate that students from rural schools are less well prepared than those from urban schools. Underachievement in college has also been linked to rural backgrounds.²¹

Significant rural-urban differences also exist in quality of housing. The rural poor live primarily in severely depressed enclaves in houses that are totally unfit to live in. As a matter of fact, one in every thirteen houses are more than often without heat and water, and their state of dilapidation make them terrible health hazards. Rural areas have less than one-fourth the nation's population, about 60 percent of its substandard housing, and considerably less than one quarter of the available federal housing funds.

In the urban communities, the quality of housing is much better, except of course for some of those areas that are commonly referred to as urban ghettos. Sanitary conditions are much better and the incidence of death and disease occurring from unfit housing is virtually unheard of.

The problems of health and health standards in rural America are also dramatic ones. Premature death and disease are markedly high among the rural poor. The President's Commission on Rural Poverty has found that infant mortality is far higher among rural poor than among the least privileged group in urban areas.²² For the black rural poor, the infant mortality rate leads that of the white rural poor by a substantial margin.

The cause of diseases and premature death in rural America relate to one significant factor, and that is the constraint of neglect which having existed for too long a period of time, created a basic lack of medical services, facilities and institutions in proper access for the poor. The concentration of advanced medical techniques and institutions in the metropolitan cities brought about an uneven distribution of medical services in the United States.

The rural poor being isolated and without transportation have restricted access to proper medical attention. They cannot afford private medical care and they are hardly ever covered by insurance. Those who do receive care often receive it too late and much of it is usually of low quality.

Even after a decade of official concern about rural health needs, 138 rural counties holding nearly half a million people do not have a single resident doctor. That figure is up 37 percent from the 98 counties in 1963.²³

²¹ Lee G. Burchinal and Hilda Siff, "Rural Poverty" in Louis A. Feriman, Joyce L. Kornbluh and Alan Haber (eds.) *Poverty in America* (Ann Arbor: The University of Michigan Press, 1965), p. 108.

²² See The President's Advisory Commission on Rural Poverty, "People Left Behind", *Employment Service Review* (April 1968).

²³ Austin Scott, "Rural America Asks for Its Share of the Pie", *The Home News*, New Brunswick, N. J., April 21, 1975, p. 15.

The rural poor receive the smallest share of the nation's economic resources and the least adequate community resources. They do not have organized lobbies, they lack representation in public organizations, committees, and even antipoverty program commissions. In essence, they are seemingly doomed to remain relatively poor. This is nothing short of guaranteed poverty as determined by the economic and social structures of America.

It must be mentioned here that the foregoing analysis in this section was centered on a comparison of rural and urban poverty. It was not intended to indicate, by any means, that migration to urban areas would solve all the problems of the rural poor. Of course, migration from the rural poverty areas of America to the urban regions has been a long standing characteristic of the rural poor. But the urban areas are themselves plagued by the poverty dilemma, though the extent and nature of it is, relatively, to a lesser degree.

The problems of rural and urban poverty will undoubtedly continue to be a paradox in American society. Charles Sackrey in his outstanding book on *The Political Economy of Urban Poverty* said the following:

Think of poverty as a BIG problem. Think of it as a serious moral dilemma for a presumably civilized society. Think of poverty as one of the results of our own privileged position in the world. Think of it as a personal tragedy to most of those who suffer it."²⁴

The thinking process on poverty has been going on now for a considerable period of time. Scholars, academics, social workers, clergymen, politicians, economists, and the poor themselves have done a great deal of deliberation on all aspects of this issue. But still the evidence currently points toward a chronic persistence of the poverty dilemma.

The thinking process has gone on for too long. Appeasement anti-poverty programs, and the strategies that underlie them, have been unsuccessful and impactless. A concerted, and well co-ordinated, effort of National action for social change, and rural development has been long overdue.

IV. SOCIAL CHANGE AND RURAL REGIONAL COMMUNITY DEVELOPMENT

Social change is a very important aspect of any approach to eliminating poverty in rural America. As a matter of fact, some form of social change should automatically result from any well-organized program that emphasizes poverty eradication. However, some significance should be attached to the type of social change needed as it befits particular groups of the rural population.

²⁴ Charles Sackrey, *The Political Economy of Urban Poverty* (New York: W. W. Norton & Co., 1973), p. 24.

Each region of people should be viewed in a different manner; in terms of their situation in relation to the wider society. But more important, however, is the fact that they each should be put in historical perspective.

Viewing each region differently means dealing with their experiences and distinctiveness. The realisation of this would become more vivid if one takes a situational view of social change. This is to say from the point of view that people respond to the situations and opportunities available to them.

Some academics have espoused some counter-arguments to this idea of situational view of social change. The most prolific of these arguments suggests a cultural view of social change.

That point of view argues that poverty and the lowly position of the poor leads to a separate and independent lower class culture which intervenes in the response to opportunities, sometimes making it impossible for poor people to develop the behavior and value patterns needed, say, to take a job.²⁵ In short, the cultural view of social change suggests that persisting cultural and personality elements prevent the poor from adapting to economic opportunities even when these opportunities are available.

This conception is, however, a faulty one in many respects. For instance, in rural areas the majority of the poor were born poor and had to grow up that way. This is so because a persistent lack of economic opportunities created this *situation*. No one wants to live a life-time in poverty if there are opportunities available for them to escape it. Moreover, every society has its own set of economic values, and even the poor aspire to be part of it. Thus, the cultural view of social change can be reduced simply to a behavioral analysis which cannot be supported empirically.

The basic ingredient for social change among the rural poor lies in the creation of long-term programs which are institutionalised. These programs should be so organised to guarantee net benefit levels that are sufficient to remove the poor from their poverty threshold.

Most anti-poverty programs to date, have been of a short-term nature, and they have failed in their attempts to reallocate income and services to the poor. As such, therefore, the redistribution of housing, educational, medical, recreational and other services are still of vital importance to the poor.

The existing service-dispensing institutions have failed to alter the relative position of the rural poor. Most of these institutions have ignored or dealt inadequately with the rural poor. It is therefore quite obvious that it will not be sufficient to simply provide these institutions of failure with more funds to continue doing what they have al-

²⁵ Herbert Gans, "Poverty and Culture: Some Basic Questions about Methods of Studying Life-Styles of the Poor" in Peter Townsend (ed.) *The Concept of Poverty* (London: Heinemann Educational Books, 1970), pp. 150-151.

ways done in the past. It is necessary to change social institutions so that they are more effectively responsive to the needs of the poor.²⁶

Poverty is not a fixed point. It is a moving escalator reflecting the socio-economic situation of a society. The traditional conceptualisation of poverty has been too narrowly limited to income standards. A much more realistic standard is needed to include the distribution of the non-income factors, of medicine, education, recreation, and so on. In the case of blacks, such situational factors as discrimination and racism should also be considered. This means putting them in historical perspective.

The poverty dilemma of rural blacks cannot be dismissed as a pure case of disadvantage, because blacks are not only a disadvantaged group in American society, they experience a differential disadvantage as well.

This differential exists in all significant economic and social matters in any comparison of all blacks with all whites.²⁷ This is so because of the deliberate presence of hostile forces.

These hostile forces consist of contemporary white racism operating in the context of a differentially low black material status that has resulted from a long record of past discrimination.²⁸

The history of white racism, and discrimination, in the United States is yet to be written, but almost everyone can trace their path and impact.

Discrimination against members of particular racial or socio-economic groups violates commonly accepted standards of social justice. Where discrimination is pervasive, the freedom of minority groups is severely restricted, as are their opportunities for achievement. And, as Professor Schiller points out, such limitations harm not only those discriminated against, but also the larger community.²⁹ Talents go undeveloped, potential output is irrevocably lost, and markets are unnecessarily restricted.

The entrenched socio-economic patterns of racism, inequality, and discrimination have been persistent problems of the American political economy. The combating of them has been late in coming and has not yet had significant results.

The operation of the American socio-economic system needs priority consideration. The growth of poverty in the rural areas has to be checked by long-range social and economic programs that do more than promote private consumption. These programs must be more responsive to the needs of the poor. They must be so directed to have

²⁶ On this point see the arguments of S. M. Miller and Martin Rein in their article "Poverty and Social Change" in *American Child* 46 (March, 1964).

²⁷ Harold G. Vatter, "The Differential Status of Black Americans" in Harold G. Vatter and Thomas Palm (eds.) *The Economics of Black America* (New York: Harcourt Brace Jovanovich, Inc., 1972), p. 4.

²⁸ *Ibid.*, p. 5.

²⁹ Bradley R. Schiller, *The Economics of Poverty and Discrimination* (New Jersey: Prentice-Hall, Inc., 1973) p. 121.

a measurable social impact. They must be concentrated on the removal of the root conditions that maintain and create communities of poverty.

Hence, an understanding of the causes of rural poverty in America gives a clear direction to the public policy needed to resolve it, and create social change and regional community development.

Social change and rural regional community development can only occur through programs which are all embracing, and which are designed with the community as the economic base. These programs must involve the development and use of measures whereby the victims of poverty, social injustice, discrimination, and racism, are removed from that unfortunate state, and whereby a desired level of change and development is attained.

Community development is a process. It involves first and foremost an understanding of the basic social and economic problems of the community. It is a process of social and economic action for solving community problems. It combines the efforts and resources from governmental and non-governmental agencies for effective and purposive change.³⁰

There is no doubt that rural development, in America, can only be objectively attained by concerted action on the part of the Local, State, and Federal agencies. Local resources are definitely not adequate. State and Federal assistance in the form of capital, administrative and technical personnel, linked up with local resources, will be a necessary requirement to create programs rural people need.

There exists in rural areas what can be called an institutional gap in regional community development. The agencies we now take for granted in larger urban areas, such as renewal agencies or water and sewer authorities, are scarce in small towns. These agencies need to be created where they do not exist, and upgraded where they do exist in a limited-functioning capacity. Without these basic and necessary institutions, the realisation of the goals for rural regional community development would be disappointing.

Of course, some of the agencies would have to take on new form and content. Most of the existing agencies, to date, have rendered assistance which turned out to be ineffective because it was based on the export from the urban areas of materials and techniques designed to produce measurable results in a short-term, and operated by "experts" more familiar with techniques than sensitive to *situations*.

The proper arrangement and management of the different kinds of programs employed in the rural development process are in themselves critical variables in the outcomes of the programs. As such, flexibility in programming should be allowed. Emphasis should be placed on fitting external resources to rural designs, rather than implanting urban programs in the rural systems.

³⁰ For more on this see Lee J. Carey (ed.) *Community Development as a Process* (Columbia: University of Missouri Press, 1970).

Some variations in rural communities do exist, but the basic characteristics by which they are classified as poverty-stricken regions are present in all. Therefore, it can be assumed that any program that results in net benefit levels for any rural regional community can be applied successfully to other rural regional communities with, say maybe, some minor changes if necessary.

The underlying assumption here, is that regional community development is a form of social change that is needed and will become accepted and integrated into the life of any rural region. Hence, once accepted, regional community development becomes a method employed to bring about further conscious, deliberate, and effective processes of change.

One of the major goals of the regional community development effort should be that of training and educating. Rural education lags far behind national standards. In contrast to urban schools, teachers in rural schools have less education, generally receive lower salaries, are not so often members of professional organisations, and have more complicated teaching responsibilities — about twice as large a proportion of rural as urban teachers teach more than one subject.³¹ Furthermore, rural youth have little opportunity to get training for industrial jobs; in those areas where they have such opportunities, their choices are severely limited.

The regional community development program should, therefore, provide adult education centers, teacher training programs, compensatory enrichment programs, and opportunities industrialisation centers.

Together with the development of adequate educational and training programs for all, there must be the development of housing, welfare services, and proper health facilities. Rural residents suffer more frequently from chronic illnesses than urban dwellers, and have obtained medical attention less frequently also, primarily due to a lack of it, or a lack of access to it.

Similarly, in housing the rural poor are badly victimised. The low quality of housing available to the rural poor has been well documented. The shanties and schacks found in rural America often look like remnants from an earlier era.³²

Welfare services too frequently are inadequate to help families bridge the gap between their starkest needs and minimal subsistence levels. In the rural areas, there are families with incomes so low that they must choose between an adequate diet and other necessities. The rural areas, especially the South, receive the lowest payments in welfare assistance.

The need for better housing, health, and welfare facilities need not be re-emphasised here. If the rural poor are to survive and take their place in the American society, then the rural regional community development program must make sure that these basic social services are adequately provided.

³¹ Lee G. Burchinal and Hilda Siff, "Rural Poverty," p. 109.

³² The President's Commission on Income Maintenance Programs, *Poverty Amid Plenty: The American Paradox*, p. 18.

Other programs that should be initiated are recreational, day care, and legal aid services. Once these programs are fully operative, then the stage is set for the rural poor to fully participate in the development process.

Basic to the rural regional community development process is participation by the people of the community in the process. Participation of the rural poor refers to the active and willing participation of rural peoples in development of the area in which they reside.³³ Such participation requires that these people not only share in the distribution of the benefits of development, be they the material benefits of increased output or other benefits considered enhancing to the quality of life, but that they share also in the task of creating these benefits. For participation of the rural poor to be "willing", it is necessary that these people consider themselves to be full members of the community and that the community recognises their status as citizens.

The role of rural regional community development institutions, which purport to foster the development process, must see the creation of a structure whereby more and more people have opportunities to participate in that process as the objective of programs, projects, and policies they suggest and instigate. This may be achieved by providing economic inducements and incentives, political and economic security that provide the framework for new opportunities, and by helping people to develop their abilities so that they can take advantage of new opportunities. Rural regional community development is achieved by people able to take advantage of new opportunities to participate in the community. What constitutes rural development for a region should not be defined by a powerful few who either hope or require that people agree. It is the participation of the people which shapes the development process and substantively defines development of the regional community.

The base of participation should not be rigidly tied to political and geographical lines. The opportunity to participate at different levels, in different ways, and over varying periods of time should be available to meet the capacities and interests of the largest audience of rural participants.

Hence, what is being advocated is that the approach which should be taken, for the reduction or elimination of rural poverty, is that of rural regional community development planning which should have, as an explicit goal, the satisfaction of an absolute level of basic needs.

Basic needs are taken to include two elements.³⁴ First, they include certain minimum requirements of a family for private consumption: adequate food, shelter and clothing are obviously included, as would be certain household equipment and furniture.

³³ This definition and some of the ideas developed in the rest of this section draw heavily from David J. King's *Land Reform and Participation of the Rural Poor in the Development Process of African Countries* (Washington: World Bank Conference Papers on Land Reform, 1973).

³⁴ See International Labour Organisation (ILO), *Employment, Growth, and Basic Needs: A One World Problem* (Geneva: ILO, 1976).

Second, they include essential services provided by and for the regional communities at large, such as safe drinking water, sanitation, public transport, and health and educational benefits.

A basic-needs oriented policy implies the participation of the rural people in making the decisions which affect them. Participation interacts with the two main elements of the basic-needs oriented policy. For example, education and good health will facilitate participation, and participation in turn will strengthen the claim for the material basic needs.³⁵

The satisfaction of an absolute level of basic needs, as so defined, should be placed within a broader framework — namely the fulfillment of basic human and civil rights, which are not only ends in themselves but also contribute to the attainment of other goals.

The basic-needs concept is of national applicability, although the relative importance of its components will vary with the level of development and from one rural regional community to another. Basic needs constitute the minimum objective of society, not the full range of desirable attributes, many of which will inevitably take longer to attain.

V. TOWARD A MODEL OF RURAL REGIONAL COMMUNITY DEVELOPMENT PLANNING

Before specifying the model, it is necessary for the sake of clarity and scholarship, that some preliminary arguments be made.

Although economists and regional planners sometimes use predictive models aimed at forecasting the most likely course of events in the absence of intervention, they will normally wish to influence the future. In order to do this they will need to make use of a planning model. Such a model allows for specific goals and policy objectives and the planners via a manipulation of the instrumental variables under their control try to achieve these goals. The goals may refer either to a set of predetermined target levels (fixed targets) or to the maximisation of some given index of welfare (flexible target) such as real income per head. The pursuit of the stated goals will be subject to constraints (sometimes called boundary conditions). These constraints, usually expressed as inequalities, may refer to fixed budgetary limits, productive capacity constraints, the available supply of labour, etc.

The essential differences between a predictive and a regional development planning model are as follows. The predictive model may develop out of *a priori* theorising alone or, more likely, from a set of behavioural assumptions, some of which at least will derive from empirical observation. Once the assumptions have been decided, the model is developed through a process of logical deduction. The model, in turn, yields predictive hypotheses which are tested empirically against the course of events. If the results of the test are satisfactory, we may con-

³⁵ *Ibid*, p. 32.

clude that the model is consistent with experience; if there is inconsistency, on the other hand, then we must either amend the model by altering the assumptions of our theories and possibly by allowing for new observations revealed by the tests, or reject the model completely and start afresh. Since the model will almost certainly be used for forecasting future changes, the tests will have to be carried out on past as well as current data.

The regional community development planning model is used not simply for prediction, but to attempt to change events in specified directions. The model is combined with objectives formulated via the political process to derive a policy. Once the policy is decided upon, in this case basic needs, it needs to be translated into a plan.

Now let us examine the structure of the model. The economies of rural poverty regions are regarded as interdependent systems and the planning model is a highly simplified quantitative description of them. It will contain several variables, some of which are concerned with the structural relationships which link together the separate parts of the economy (these may be called the endogenous variables), while others are predetermined (the exogenous variables), influencing the endogenous variables but not affected by them. In addition, there are the endogenous-lagged variables which have been predetermined in earlier time periods, but which are given at the moment that the model is being applied.

The first operation would be to insert into the model the goal or target variables which may take the form of certain desired target levels or may be couched in optimisation terms. The goal variables can be regarded as a special kind of endogenous variable. The next step is then to find a set of values for the instrumental variables, also endogenous, which results in desired values of the target variables. Instrumental variables are controllable, though; however, not many variables are controllable at the regional level, but rather they are extraneous to the region and values must be assigned to them. Then there are the stochastic variables. These cannot be predicted, and the model becomes more useful if their effects are very small.

A regional planning model of this type can be expressed as:

$$K = R(b, t, a)$$

where K = the set of outcomes
 R = endogenous variables
 b = instrumental variables
 t = extraneous variables
 a = stochastic influences

While K , b , t , a are vectors, R is the matrix which shows how the development of the region, as expressed in K , is linked to the instrumental and extraneous variables. The values for the endogenous coefficients in R are obtained from compiled rural regional data. These include, for example, trade propensities and consumption functions. The instrumental variables include such things as the level of government investment in area infrastructure, the methods of taxation, government

subsidies and other items that might be manipulated by regional policymakers to alter the outcomes. Given the structural coefficients in R and having assigned values to t , then the aim of the planners is to adjust b in a manner which throws up results, expressed in K , which are consistent with policy goals.

If a rural regional community development plan is to succeed then plan formulation in relation to physical features and resources in each area is necessary.

The physico-geographical conditions in America vary even more widely than the socio-economic, and the only way in which full account can be taken of these variations in the rural regional planning is to spell out the goals of the community development policy in physical terms.

Differential regional economic growth is an integral characteristic of the American economy. As long as demand and supply conditions are subject to change, and regions have differing advantages and disadvantages for production, differences in regional growth must be seen as part of the total system, just as are economic specialisation and division of labour. Periods of faster and slower growth over time may be expected for each region, both in volume of economic activities and in levels of living. Each growth period poses its own set of problems.

Given America's highly dualistic economy, continuing change is inevitable and, therefore, continuing adjustment is unavoidable. Problems of adjustment are always difficult and do not readily yield to solution. The forces at work are extremely complex and include physical, social, cultural, political, psychological and economic factors. It follows that activities inhibiting the needed adjustment of regions can be serious drags on the required adaptation.

VI. CONCLUSIONS

The most popular diagnoses of rural poverty in America focus on the personal characteristics of those who are poor. The poor are thus viewed as less able, less motivated, overly reproductive, too aged or sick, or otherwise handicapped. By inference or declaration, they are thus assumed to be responsible for their own impoverishment.

The argument that the rural poor do not possess aspiration and initiative enough to raise themselves out of poverty rests on misconceptions rather than factual evidence. Divergent patterns of behaviour, in themselves, do not prove the existence of divergent aspirations and goals; instead they may well represent rational responses to continuing inopportune circumstances.

The present policy directions are not well tailored to achieve equality or eliminate rural poverty, and both the poor and non-poor are becoming increasingly frustrated with policies that provide more income maintenance programs and fewer opportunities.

What then are the prospects for future change? The answer obviously lies in the hands of the Federal, State and Local authorities. These

three bodies together have the resources and the power to enact legislation to make sure that the movement towards anti-poverty, is a viable and successful one.

To reach the goal of eliminating rural poverty, public perspectives must be brought closer to the causes of poverty and compel public policies to catch up.

There is no doubt that once public policies respond to the needs of the rural poor, then community participation will develop and the process of rural regional community development would begin.

Indeed, the character of American anti-poverty policy has been subtly and powerfully influenced by ideology, a fact which helps account for its failures.³⁶ However, quite obviously, some of the elements of our model cannot easily be manipulated by Government as a matter of antipoverty policy. It is also quite obvious that governments must take action with respect to such things as jobs, education, and the welfare system.³⁷

Adding it all up, just what does a war on rural poverty mean? At the present time, the core of the war on rural poverty must be, above all, to extend opportunity and to break the bonds that lock the poor in. That war has two interconnected parts. It is a way to help the rural poor of this generation to raise themselves out of social isolation into a fuller participation in the national life. And it is a war to prevent rural poverty from perpetuating itself among the children of poverty.³⁸ In this sort of war neither transfer payments to the rural poor nor the minor skirmishes that help to their feet those of the poor who are least disadvantaged are enough. Nor can such a war, as stated before, be conducted by the expansion of income-maintenance programs that shore up the average person in the name of poverty prevention. It calls for a rural community development policy that serves the rural poor in a very direct way, to be sure.

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³⁶ A. Dale Tussing, "Poverty Research and Policy Analysis in the United States: Implications for Ireland," *Economic and Social Review* 5 (October 1976), p. 93.

³⁷ For more comprehensive thoughts on this, see A. Dale Tussing, *Poverty in a Dual Economy* (New York: St. Martin's Press, 1975), pp. 111-112.

³⁸ Mary Jean Bowman, "Poverty in an Affluent Society" in Neil W. Chamberlain (ed.), *Contemporary Economic Issues* (Homewood: Richard D. Irwin, 1973), pp. 112-113.

SIROMASTVO U RURALNOJ AMERICI

Kempe R. HOPE

Re z i m e

U članku se sa sociološkog aspekta razmatra problem siromaštva u ruralnoj Americi. Autor pruža statističke informacije o obimu i prirodni ovog siromaštva kao i o njegovoj rasnoj strukturi. Ispituju se i dokumentuju osnovni uzroci ruralnog siromaštva i pružaju nova saznanja o faktorima koji su konzistentno doprinosili stvaranju bede usred izobilja u ruralnoj Americi. U članku se dalje osvetljava odnos između siromaštva u ruralnoj Americi i pokušaja koji se preduzimaju za ostvarenje potrebnih društvenih promena koje bi omogućile uspešnu borbu sa siromaštvom.

U članku je posebno naglašen značaj usmeravanja ka državnoj politici koja je neophodna da bi se iskorenilo siromaštvo u ruralnoj Americi i ostvarile odgovarajuće socijalne promene.

Iskorenjivanje siromaštva u ruralnoj Americi može se ostvariti samo putem sveobuhvatnih programa u kojima bi ruralni regioni bili koncipirani kao ekonomske celine. Ovi programi zahtevaju razradu i upotrebu odgovarajućih metoda koje će doprineti otklanjanju siromaštva, društvene nepravde, diskriminacije i rasizma i uz pomoć kojih će se dostići željeni nivo socijalnog poboljšanja.

Eliminisanje siromaštva predstavlja proces. Ono pre svega podrazumeva razumevanje osnovnih socijalnih i ekonomskih problema siromaštva. To je proces preduzimanja socijalnih i ekonomskih mera za rešavanje problema siromašnog ruralnog stanovništva. On obuhvata napore i sredstva vladinih i nevladinih agencija u cilju ostvarenja efikasnih i svrsishodnih promena. Lokalna sredstva za te svrhe su neadekvatna. Pomoć federacije i pojedinih država u vidu kapitala, administrativnog i tehničkog osoblja, udružena sa lokalnim sredstvima predstavlja neophodan preduslov za donošenje programa koji su potrebni za poboljšanje društvenog položaja siromašnog ruralnog stanovništva.