



THE ECONOMIC PAMPHLETEER
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A Fair Deal for rural America

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A “fair deal” was the phrase used by Harry Truman in his 1949 State of the Union address to Congress. He said that “Every segment of our population and every individual has a right to expect from his government a fair deal” (Truman, n.d.). In a 1947 address to the NAACP, Truman had said, “Every man should have the right to a decent home, the right to an education, the right to adequate medical care, the right to a worthwhile job, the right to an equal share in the making of public decisions. . . . We must ensure

that these rights—on equal terms—are enjoyed by every citizen” (Glass, 2018, para. 6).

Truman proposed a bold political agenda that included universal health care, a major increase in the minimum wage, expanded Social Security benefits, and a major increase in federal funding for education. Many of his proposals were rejected by a Republican Congress. However, he had a number of notable successes, including extending telephone service to rural areas, supporting farm commodity price at 90% of parity, expanding soil

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*Why an **Economic Pamphleteer**? In his historic pamphlet *Common Sense*, written in 1775–1776, Thomas Paine wrote of the necessity of people to form governments to moderate their individual self-interest. In our government today, the pursuit of economic self-interest reigns supreme. Rural America has been recolonized, economically, by corporate industrial agriculture. I hope my “pamphlets” will help awaken Americans to a new revolution—to create a sustainable agri-food economy, revitalize rural communities, and reclaim our democracy. The collected *Economic Pamphleteer* columns (2010–2017) are at <https://bit.ly/ikerd-collection>*

conservation programs, and fixing loopholes in the Clayton Antitrust Act. Historian Eric Leif Davin writes, “Truman left a record of considerable success—an aspect of the Fair Deal not to be discounted” (Davin, 2011, p. 348).

Truman’s Fair Deal of the 1940s set the stage for Lyndon Johnson’s Great Society of the 1960s. In September 1966, President Johnson established the President’s National Advisory Committee on Rural Poverty. Its charge was “to make a comprehensive study and appraisal of the current economic situations and trends in American rural life, as they relate to the existence of income and community problems of rural areas” (Breathitt, 1967, p. vi). The committee delivered its report to the President a year later: “This report is about a problem which many in the United States do not realize exists. The problem is rural poverty. It affects some 14 million Americans [7% total and 26% of rural populations]. Rural poverty is so widespread, and so acute, as to be a national disgrace, and its consequences have swept into our cities, violently” (Breathitt, 1967, p. ix).

The report concluded, “Our programs for rural America are woefully out of date” (Breathitt, 1967, p. ix). The commission placed the primary blame for increasing rural poverty on the displacement of farm families by the industrialization of American agriculture. They wrote, “We have not yet adjusted to the fact that in the brief period of 15 years, from 1950 to 1965, new machines and new methods increased farm output in the United States by 45 percent and reduced farm employment by 45 percent. Nor is there adequate awareness that during the next 15 years the need for farm labor will decline by another 45 percent” (Breathitt, 1967, p. ix).

The commission recommended “that the United States adopt and put into effect immediately a national policy designed to give the residents of rural America equality of opportunity with

all other citizens” (Breathitt, p. xi). It reaffirmed President Truman’s call for a Fair Deal in stating, “The Commission believes that the United States has the resources and the technical means to assure every person in the United States adequate food, shelter, clothing, medical care, and education and, accordingly, recommends action toward this end. . . . The Commission is convinced that the abolition of rural poverty in the United States, perhaps for the first time in any nation, is completely feasible. The nation has the economic resources and the technical means for doing this.

What it has lacked, thus far, has been the will. The Commission rejects the view that poverty, in so rich a nation, is inevitable for any large group of its citizens” (Breathitt, 1967, p. xi).

In January 1969, Richard Nixon replaced Lyndon Johnson as President. In 1971, Earl Butz, an advocate of large-scale, corporate farming, became Secretary of Agriculture (Earl Butz, n.d.). The previous displacement of family farmers had been driven by new post-World War II industrial tech-

nologies. The continuing trend toward larger farms and fewer farm families since the 1970s has been driven by 50 years of farm policies initiated during the Nixon/Butz administration. The token “rural development” programs of the U.S. Department of Agriculture (USDA) have been woefully inadequate to mitigate the negative effects of agricultural industrialization on “the people left behind” in rural America.

A 2017 *Wall Street Journal* study documented some of the socioeconomic consequences of continuing industrial agricultural and rural development policies. In an article entitled “Rural America is the new ‘inner city,’” the authors concluded, “In terms of poverty, college attainment, teenage births, divorce, death rates from heart disease and cancer, reliance on federal disability insurance and male labor-force participation, rural counties now rank the worst among the four major U.S. popu-

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lation groupings” (Adamy & Overberg, 2017, para. 5)—below inner cities.

In 2018, a national conference was convened to evaluate changes in rural American during the 50 years following *The People Left Behind* report. The conference report documented that rural poverty declined during the 1960s but stabilized during the 1970s, and has continued to exceed poverty rates in urban areas. The report also noted, “The level of income inequality has surged since 1970, deeply dividing the United States into a prosperous upper quintile (and an even more privileged top 1 percent) that has benefited from the growth in the economy, and the rest of the population that has not shared in this growth to any appreciable extent” (Weber, 2018, pp. 3–4). The report also pointed out that changes in the War on Poverty programs over past 20 years have resulted in a smaller share of the benefits going to those in deepest poverty. The legacy of rural poverty has resulted in these economic inequalities having a disproportionate effect on “the people left behind.”

Over time, many rural people have become aware that U.S. farm policies are a root cause of persistent rural poverty, yet they seem unable or unwilling to demand fundamental change. Rural residents have been persistently misled into believing, or at least accepting, the false promises that rural communities can prosper only by extracting wealth from natural resources, including from fertile farmland, by exploiting farm workers and displacing family farmers. This is not a matter of party politics, as it has persisted under both Democratic and Republican administrations. Those who oppose farm policies that subsidize today’s so-called modern farming systems are quickly labeled as either uninformed or opposed to agriculture, family farming, and rural communities.

There are good reasons for rural opposition to current government farm policies. These policies

subsidize *production*, rather than support *farm families*. Farms classified as “small” by the USDA make up nearly 90% of all farms but account for only about 20% of total agricultural production (USDA Economic Research Service [USDA ERS], n.d.-a). Only about 40% of farmers receive government payments; the vast majority of farm subsidies, including special “emergency funding,” go to large farms—the large *producers* (Environmental Working Group, 2020). As a result of this focus on production, only a small percentage of family farmers and rural residents actually benefit from today’s farm policies.

Counties classified as rural or non-metro currently make up about 15% of the U.S. population (USDA ERS, n.d.-b). Farmers make up only 1.3% of the total population of the U.S. and thus less than 10% of the rural population (USDA ERS, n.d.-c). This means less than 4% of rural residents (40% of farmers) receive farm subsidies. The percentages vary from year to year, but 10% of those farmers typically receive more than 60% of those subsidies (Environmental Working Group, 2020). The lives and livelihoods of the vast majority of family farmers and as many as 99% of all rural


people have been, and continue to be, diminished or destroyed by government farm programs that subsidize a few larger farmers/producers and wealthy landowners.

Current proposals for programs that would ensure a new Fair Deal for rural America are included in a congressional resolution labeled the Green New Deal. However, this proposal has been criticized for its emphasis on its proposals for mitigating climate change, which have been demonized politically in rural America. Setting aside this environmental emphasis, the Green New Deal is simply an affirmation of President Truman’s Fair Deal. Its provisions include restoring economic competitiveness to markets and “providing all people of the United States with— high-quality

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health care; affordable, safe, and adequate housing; economic security; and clean water, clean air, healthy and affordable food, and access to nature” (Recognizing the duty, 2019, p. 14).

In previous columns, I have outlined a farm policy agenda based on the Green New Deal that could be a key part of a New Fair Deal for rural America (Ikerd, 2020). This agenda includes a fair transition from government programs that subsidize commodity production to programs that share the risk of transitioning to regenerative family farms. Fair Deal farm programs would ensure farm

family incomes at parity with nonfarm families. The more comprehensive Fair Deal outlined in the Green New Deal congressional resolution would ensure adequate incomes to meet basic economic needs, in addition to health care and housing, clean water and air, and healthy and affordable food, for all—rural and urban. Those who oppose government policies that subsidize today’s so-called modern system of farming are not uninformed or opposed to agriculture, family farming, and rural communities. They simply want a Fair Deal for family farmers and for rural America. 

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