



Homesteaders—New Style

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1. IN THE SPRING OF 1935, RICHARD McKay sat in the office of an ex-county agent who had just been made project manager of "Roanoke Farms," North Carolina. Mr. McKay was worried. He had been a tenant farmer for eighteen years, and today he was broke, in debt, discouraged and hungry. But he still had his nerve with him. He wanted to buy a farm on the government's tenant-purchase plan. The project manager looked him over. He knew that he had been a tenant for the past seven years on a 500-acre North Carolina cotton farm. On a 40-acre lot McKay had been raising a \$750 cash crop a year in cotton. The landlord took two thirds, and with the balance McKay bought groceries and clothing for his family of seven. (Average southern tenant family's income is \$73 per person for a year's work.)
2. A local storekeeper had already advised the project manager that he considered McKay a good risk. He had been charging him only 25 percent interest on time payments for his groceries as against 65 percent for his more doubtful customers. Mr. McKay laughed when the project manager asked him what equipment he could bring with him if the government decided to make him the loan. He said he had two broken down beds, some kitchen utensils, and the clothes on his family's backs. He had been forced to sell his mules and farm equipment to meet his debts.
3. The project manager accepted the McKays for his tenant purchase project for the same reason he had accepted most of the other applicants, because they worked hard and didn't drink; in his judgment were smart farmers who had been licked by unscientific farming methods, soil exhaustion, and an indefensible system of land tenure. Because, too, in the opinion of the home supervisor, Mrs. McKay had the instincts of a good housekeeper.
4. Today, the size of Mr. McKay's farm almost exactly equals the one he farmed as a tenant, but the crop allocation has been worked out by an agronomist. Three acres are in tobacco, and five in cotton, eight in peanuts—the rest in woodland and pasture—meaning a cash crop of around \$800. Methods of scientific crop rotation and strip cropping in another four or five years will increase the productivity of the farm, and—if present prices hold—proportionally augment the family's cash

Farm Security Administration's experiment in resettling southern tenants on land of their own, here described by a recent visitor to several projects, demonstrates that, given a boost by government, America's poorest pioneers can rise from relief to self-support.

- income. But even more significant in the eyes of Farm Security is the fact that the McKays, except for coffee, bread and sugar, are raising all the family's food on the farm—which they didn't before. They have a cow, pigs and chickens and, at the suggestion of the project manager, have this year sown a strip in wheat which will be ground into flour at the project's grist mill. On Mrs. McKay's pantry shelves are 468 quarts of canned vegetables—which she put up herself to carry the family through the winter.
5. The last three years haven't been easy, especially the budgeting ahead for a whole year which is required by the project, but McKay says he thinks he's "getting somewhere" and feels good. A Negro farmer who has made a go of it on the project expressed his feelings the other day rather more emotionally: "I wake up in the night sometimes," he said, "and think I must be half dead and gone to heaven."

The Scope of Farm Security

6. "ROANOKE FARMS" AT HALIFAX WAS SET UP IN 1935 WHEN the government bought 17,818 acres from absentee owners at \$28 an acre and parceled it out on a tenant purchase plan to some 200 families, half of them Negro, half white. When completed there will be 317 families or about 1400 persons living on the project. "Homestead projects" like Roanoke are of course but a tiny segment of the government's program of rural rehabilitation.
7. Farm Security's main operations are divided into rehabilitation loans, direct relief, a tenant-purchase program and homestead projects. In addition it has built a number of camps on the Pacific coast to furnish temporary shelter and sanitary facilities to migratory farm laborers, an ever more pressing problem as farm mechanization increases their numbers yearly.
8. Though Farm Security has helped 400,000 farm families—victims of drought, flood or other disaster—with grants in direct relief, the main body of its work has been directed toward permanent rehabilitation of farm families. This has involved far more than loans for seed, tools and livestock. When a family applies for aid, their resources and needs are carefully analyzed. Continued guidance and supervision in actual farm and home management insures both the government's loan and the farmer himself against a return to old inefficient methods and is regarded as even more important than the loans in restoring borrowers to self-sufficiency. To date nearly 693,000 families have received loans, averaging around \$500 apiece.
9. From Farm Security's rehabilitation program certain selected farmers "graduate" to the tenant-purchase plan and are enabled to purchase family-sized farms of their own as a further step towards independence and security. The \$10 million appropriated by Congress last year for this part of the program, less 5 percent for administrative costs, was divided among the states and territories on the basis of farm population and the prevalence of tenancy; 1887 farms were purchased at a price ranging from \$3500 in the South where land is cheap, to \$8000 to \$10,000 in such states as Ohio, Illinois, Indiana and Iowa, though even in the latter more than half the farms cost under \$7500.

The Resettlement Laboratory

10. APART FROM THIS MASS ATTACK ON RURAL DESTITUTION, THE government set up as laboratory projects in farm tenancy and related problems 146 homestead projects, to accommodate 11,800 families or about 60,000 persons, scattered about the United States. Not all the sites were wisely chosen and the projects have made mistakes, but progressively they are refuting skeptics, especially among the farmers. There are a number of varieties, as for instance the subsistence homesteads "offering families in industrial employments an increase in security in the form of supplemental farm income." But Roanoke is a "pure" experiment, so to speak, in settling low income farm tenants on productive land under a long term purchase plan, with cooperative methods in use wherever possible, community features, and scientific agricultural planning.
11. Basic premise for all the families on projects like Roanoke is that not only will they become self-sustaining and raise both their economic and cultural level, but *pay back* the government's capital investment in land and equipment. What guarantee has the government got?
12. Clearly the McKays or any of the other families at Roanoke would not have been taken on as commercial risks by anybody. But the government has two reasons for believing it will get its money back. First of all, the project managers are farmers who know their regions and are expert in picking promising tenant farmers and sharecroppers for the projects. Second, modern methods in planning and cultivation are worked out jointly between the individual homesteader and the manager or agronomist. Proper rotation of pastures and crops, the planting of soil conserving legumes, and strip cropping when necessary, are routine. Each farm is planned not only to support the homesteader and his family, but to provide a large enough cash crop to enable him to meet his loan obligations. At Pembroke, N. C.—a project where all the former sharecroppers happen to be Croatan Indians—each farmer has three acres in tobacco, eight in cotton. At Roanoke, it runs about one and a half in tobacco, five in cotton and eight in peanuts. Cash income varies from around \$800 to \$1200.
13. But the basic cornerstone of the government's guarantee is "self-sufficiency."
14. Tied into the obligatory system of farm planning is insistence that the homesteader raise nearly all his own food. This is a revolutionary innovation for many southern farmers, accustomed to raising cotton or tobacco only, and *buying* food. What the family needs in milk, eggs, meat and vegetables is now carefully worked out between the home supervisor and the housewife at the beginning of each year. The garden is planted accordingly. Chickens and eggs can always be exchanged at the local store for coffee and sugar, and wheat is sometimes grown on the individual farm. It is possible at Roanoke for a family to feed itself—and far better than ever before—almost entirely without cash.
15. The average farm is a "two-mule farm" (a pair of good mules by the way costs almost as much as an automobile, \$450 to \$500) which means a tract of forty to fifty acres. In addition to a four or five-room house each farm has a barn for mules, a tobacco barn and a smokehouse. Land and buildings cost from \$4500 to \$5000 and are sold on a forty-year purchase plan at 3 percent interest, making the

- payments for interest and amortization run on an average of \$250 to \$270 a year. At Roanoke the farmer pays rent for a five-year testing period which is applied toward purchase. If a farmer—like Mr. McKay—comes to the project without farm equipment, pigs or chickens, he is given a capital loan to buy them which must be liquidated in the first five years.
16. To date Farm Security's financial record is reassuring. Payments on tenant purchase loans for scattered homesteads or in projects of the Roanoke type have in general been met promptly. Out of \$774,418.31 due on June 30, 1938, \$705,268.20 was paid. On ordinary rehabilitation loans—made to farmers who need money to carry on, but do not intend to purchase farms—the government according to the latest figures available distributed \$246,312,503 to some 692,916 farm families. Although much of this will not fall due for four or five years, \$75,965,735 has been repaid. Approximately 83,000 families had paid back their loans in full by February 1, 1938. In general, Farm Security's experience with rehabilitation loans shows that families come progressively to need less credit, and are actually worth far more than when they start. In Region IV (Kentucky, North Carolina, Tennessee, Virginia, and West Virginia), 43,664 farm families or about 230,000 men, women and children are farming under the rural rehabilitation program of Farm Security. They are worth \$18 million more than when they started under the program.

The Attack on Bad Rural Housing

17. AT ROANOKE, SOME OF THE OLD CABINS IN WHICH TENANTS or sharecroppers still live are standing on the same farm as the new house. Farmer Richard Laurin at Roanoke hadn't yet moved out of his old home when I visited him. The cabin leaked freely-rain through the roof and wind through the walls. His children were shivering inside. But this cabin had three rooms, a fireplace in one of them. Many of the nearby homes of former sharecroppers were one or two-room cabins housing families of six to fourteen, with a fireplace for both heat and cooking, boards for windows, and lacking even an outdoor privy. Absentee landlords were sometimes unwilling and often unable to supply their tenants with more adequate shelter.
18. Mr. Laurin's new house to which he is moving is typical of all the new farmhouses on the project: one story, small "piazza" in front, screened porch in back, kitchen with sink, a pantry for canned goods, a sitting room and two bedrooms. The houses are raised on brick underpinnings sometimes latticed by the homesteader himself. All are neatly painted white and stand out in contrast to the unpainted cabins that everywhere dot the southern countryside. Within, Mr. Laurin's house—like all the others—is finished in natural knotted pine, pleasing to the eye, though something of a disappointment to North Carolina homesteaders to whom wallpaper is a symbol of elegance and civilization. There is a wood cook stove in the kitchen, a sink and a pump-which is the only plumbing installation. Sanitary outdoor privies have been built.
19. Inside, the furniture varies, and is either what the family brought with them from the cabins or, if beyond repair, bought on government loan at minimum cost. A

- lot of the beds—always double and two or three in number to accommodate large families—have been built by young workers from the National Youth Administration. (Cost of a double bed plus good springs and a new mattress, \$24.) Linoleum rugs on the floor are general, and most of the families manage curtains. Pride in ownership invariably expresses itself in the front yard, where there are usually flower plots, shrubs and grass. The women at Roanoke discuss their yards with the competitive enthusiasm of a suburban garden club.
20. The limits on construction costs—\$1200 in the South—were set after many of Roanoke's homes had been built. In the final accounting the cost of an average Roanoke house including planning overhead, off-site costs, etc., has amounted to \$2172.19. The cost of clearing the land at Roanoke and on Farm Security projects in general is ordinarily figured in the appraisal price set on the individual unit. Since the appraisal price is based on the agricultural value of the units, the homesteader pays part in the purchase price and the government bears part where land clearing and development work has involved unusual expense.

Roanoke's Community Life

21. THESE BASIC ITEMS NEITHER EXHAUST THE SOCIAL FEATURES of Roanoke Farms nor begin to touch the deeper problems in a democratic solution of the tenant farmers' problems which the projects are exploring. On the positive side there is strategic coordination of the project work with the Department of Agriculture's soil conservation program. Some of the homesteaders have moved to the projects from submarginal land, which in turn has been purchased by the government (through the land utilization program) for reforestation. And on the projects themselves soil conservation practices are obligatory. A dovetailing of other kinds of services in the rehabilitation work is characteristic. At Roanoke, electrification has been made possible through the Rural Electrification Administration.
22. Provision of medical services at low cost for families on the rehabilitation program (including projects like Roanoke) is considered by Farm Security part of the job of getting the farmer onto his feet and keeping him there. "Quite aside from any humanitarian purpose," Dr. Will W. Alexander, the administrator, remarks, "we have as a lending agency found that a family in good health is a better credit risk than a family in bad health." In cooperation with local medical societies, Farm Security has already some 60,000 low income farm families in eighteen states within a plan providing medical care at a cost the farmers can afford. Member families pay from \$12 to \$30 a year, which provides for an annual physical examination, needed home and office visits, and in most cases for drugs and hospitalization. Each family is free to choose its own doctor, and bills are submitted monthly for the services which have been rendered.
23. In case of catastrophic illness, it is clearly impossible for a family to pay for hospitalization and special care without financial ruin. The pooling of funds serves as a form of voluntary insurance for the client, and against unreasonable hardship for the doctor.

24. The cooperative principle is adopted wherever it fits naturally the needs of the project. A cooperative store sells at regular prices and pays its members yearly dividends. The homesteaders market their cotton and peanuts cooperatively and get better prices. At Roanoke one large farm is actually worked cooperatively by twelve farmers.
25. A LOT OF PEOPLE ASK, "WHAT ABOUT REGIMENTATION OF men's lives and economic destiny from Washington?" It is a legitimate question. There is no doubt that the influence of the project manager and the home supervisor over the lives of the homesteaders is often decisive. As part of the food sufficiency principle of the project, a farmer is not only *forbidden* to put all his acreage into a cash crop, but he must raise and can vegetables. One former tenant farmer at Roanoke just couldn't break down the old impulse to sow all his land in tobacco and cotton and buy sow belly and hominy grits at the store. So he left. Budgets must be strictly kept and loan payments made promptly. But as one project manager expressed it: "Farmers don't have to come into the project unless they want to. Our requirements are an elementary protection of the government's investment, pointing the way to the purchaser's economic independence and security. The landlord and time-merchant not only bound their tenants hand and foot, but often in the end dropped them on the state's relief rolls."
26. Both the question and the answer suggest a deeper implication of farm tenancy under the "capitalist system." Forty years is a long time. As one critic put it: "What these homestead projects mean is that a man keeps right on being a tenant as long as he lives. If he's lucky, doesn't die or get sick, or have too many bad years, his children *may* own a farm. Meantime, considering his interest payments, he's paid the government \$8000 for a \$5000 property." Meantime also, one may add, the average project farmer is better off than ever before.
27. One thing is certain. There's only one farm available on the projects for every ten applicants. Indicative of competition in the county to get on the Roanoke project is the story of James, a young and ambitious Negro. The man lived a hundred miles or so from Roanoke but came over one day to the manager's office to make his application. The manager (who already knew him as an able young farmer) asked him the usual questions, among them, "How many children?" James said he had none. "Sorry," the manager explained, "we are only settling family men on the project." James looked very sad. "But," he answered, "I only been married three months." The manager laughed and told him to keep in touch. Six months later, when he came to his office at nine o'clock in the morning, the project manager found the applicant sitting on the office steps. "I come for that farm," he said, "I'm a family man now."
28. The project administration seems to have successfully discouraged any social separation from the rest of the community. Roanoke Farms is not a township or political unit, and homesteaders vote like everybody else in county elections; homesteaders' children attend county and not project schools. The community hall of the project is open to the whole countryside for social gatherings like sings, dances or meetings.

Cooperation and Criticism

29. THE PROJECTS DEMONSTRATE THAT ACHIEVEMENT OF GENUINE economic and political democracy is a slow process. Some of the ex-tenants and sharecroppers are still skeptical about their new status. They aren't sure whether the government won't decide to liquidate and sell them out like any other landlord. And again "planning your budget for a year ahead" isn't a thing an ex-sharecropper learns in a day. Farm Security has seen to it that there are no differences in the houses and equipment or acreage furnished by the government for Negroes and whites. But old traditions persist. In one project the manager, showing me the cooperative stores where the Negroes trade, said: "They don't patronize this as much as they should. What there really should be is a backdoor with a shed attached that's dark. Then they'd feel comfortable about coming in." He was merely stating a fact.
30. PEMBROKE FARMS NEAR THE BORDER OF SOUTH CAROLINA IS another example of Farm Security's contact with the racial minority problem. All the homesteaders are Croatan Indians reputed to be the descendants of native tribes who intermarried with the white remnants of Raleigh's "Lost Colony" in the sixteenth century. The clerical burden on the supervision in farm planning and home budgeting is high because most of them are illiterate. But the crops from the new farms are satisfactory, all obligations due the government had been met on time, and meantime the homesteaders are learning to read.
31. "Of course," one critic said to me, "the projects may pan out, because the farmers are carefully picked. But most of these people are without ambition. They live the way they do because they want to." This is the old "coal in the bathtub" theory. An interesting if not final answer lies in Roanoke's experience with the "unselected." Twenty-four families were living on acreage within the tract purchased for the project. Other homesteaders were moved in after selection from the surrounding countryside, but the twenty-four—*without selection*—were simply absorbed into the project.
32. However regarded, the projects are clearly not a mass attack on the problems of tenancy or rural rehabilitation. They are rather—as designated above—laboratories in social practices, and "demonstrations." Among other things they effectively utilize for progressive ends the ingrained American impulse "to keep up with the Joneses." At Pembroke, the project manager initiated modern methods of hog raising on a single farm. Within a year, a dozen others had adopted them. Competitive imitation runs all the way from window curtains to methods of crop rotation. More basically the projects will demonstrate whether or not scientific farming methods on small farms under a relatively rational tenure system can be made to pay out. Significantly, banks and insurance companies who by way of foreclosures have come into possession of large tracts of land from dispossessed farmers are experimenting with privately owned farm projects operated and financed along the same general lines as those of Farm Security.
33. There is plenty of public criticism of the projects, both local and national. First of all they share obloquy with all other enterprises of the present administration that are at once experimental and cost the taxpayer money. So far as taxation goes, the projects—or at least some of them—could speak the taxpayers' language if they would. Apart from the actual statistical record of repayments to date on loans, the

- rehabilitated homesteaders are rapidly becoming a source of new revenue to the state.
34. When Roanoke Farms was first set up, the merchants and storekeepers from half a dozen towns held a mass meeting and denounced the project as an enemy of the business community. They had been accustomed to supplying the farmers with groceries and fertilizer for a generation and charging as risk insurance 20 to 70 percent interest on all accounts. As time has passed, opposition and hostility is lessening. The project farmers still buy a good deal locally and they have more money to spend. Obviously the wiping out of the time payment system is an immense benefit to the farmer, and in the long run the merchant himself will profit from prompt cash payments, and the all-round rise in income and prosperity for the countryside.
35. Roanoke and the other homestead projects are not a panacea for rural trouble. There is no guarantee, for example, that a downward tumble of the price of cotton or tobacco wouldn't leave the southern projects insolvent. And none of them give a final answer to the perennial dilemma of the cotton surplus—to name but one of the country's unsolved agrarian problems. Every possible effort has been made—through "self-sufficiency" on individual farms—to put the security of the project's residents beyond reach of fluctuations in crop prices and cash income, and an effort has been made to minimize the proportion of gross intake which is cash income and to insure feed and food storage enough to carry through bad years. Within the project's limitations, Farm Security feels this in itself points the way toward a solution of the cotton surplus, but unfortunately it does not answer the problem of cash in a really bad year to meet the interest and amortization on the government's loan. However, at the moment, a toe hold of security has been achieved, and the achievement has been demonstrably due to an amalgam of faith, cooperation and intelligence. The projects are a proof, if we need one, that to defend our American democracy successfully we need to find new ways—creatively—to apply its principles.
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