IMPLEMENTATION OF CHANGE IN THE ‘70s

The purpose of social-economic research is attempt to struggle with the future . . . .
It includes risk of failure, even tragedy.
Yet men are fated to essay the adventure;
this is part of what they are.

Adolph A. Berle

Change is the only reality. We are seldom ready for it, but it is continuing and inevitable. In the past most social and economic change has come about in reaction to some crisis, not as a result of conscious planning and policy making. Do we have a choice about the direction of change? Can we establish goals and priorities of change? Can we implement these goals sufficiently to influence the path of change?

These and related questions that have both immediate and long-run significance for the communities of this, and every other, state were the focus of discussion at the seventeenth annual conference of the Mid-Continent Research and Development Council, a deliberative body that since its inception has provided a medium for encouraging development of the human and material resources of this region. General theme of this year’s discussions was “Implementation of Change.”

Whereas in some years Council programs have stressed economic and social goals predicated largely on industrial development as a source of continued economic growth, the 1970 program reflected the growing belief that unplanned accelerated economic growth may carry with it undesirable impacts on other aspects of life. As one speaker put it, we no longer accept “more is better” as an axiom.

THE REGION AND EXTERNAL FORCES

Trenchant observations on new considerations with respect to economic development were made by Dr. William A. Vogely, Director of Planning, Internal Revenue Service, U.S. Department of Commerce. Recognizing that patterns of change in the mid-continent states are going to be to a major extent imposed from outside, he considers it imperative that goals and priorities established here be consistent with external forces impinging on the region. As he sees it, the world is now a single economy, economic change over the next century will be dictated by genuinely new technologies, society will organize for its tasks in a decentralized, pluralistic way (rather than continuing to concentrate power in larger and larger organizations), and knowledge, not physical factors of production, will play the central role in determining productivity and industry structure.

This means, according to Dr. Vogely, that the region and its component states will prosper to whatever extent the external forces can be used as propellants for internal change and adaptation. The region should be concerned with attracting and utilizing the energy forms of the future rather than preserving and protecting the high cost and marginal energy producers of the present. When input-output models are constructed, whether within communities, states, or regions, there must be added to the cost functions of all industries another element—the environmental damage functions, or the imputed cost to the environment, from each industry’s operations.

He recommends: (1) establishment of an organization to monitor and interpret fundamental changes for the decision makers in the region and (2) discovery of a mechanism whereby goals for the region can be articulated, discussed, and accepted in such a way as to permit their implementation. This will require active participation of the academic, professional, political, and industrial organization in order to develop the data and analytical base for short-run decisions. As Dr. Vogely sees it, the immediate priority, therefore, is to establish with the major universities of this region a place where interaction in pursuit of common goals can be fostered, this to be the first step in setting up regional priorities and goals and establishing mechanisms to implement changes necessary to achieve such goals.

IMPLEMENTATION OF GOALS

A somewhat different view is that of Garland Hadley, executive director of a private science foundation, who believes that the key to an effective strategy for implementation of goals is better utilization of our resources. He describes two separate schools of thought on development strategy, conceding, however, that their goals may be the same in general terms. He sees one group as those who base economic strategy on science and technology, who favor large investments in research and formation of risk-capital sources to finance the creation of homegrown industries. By contrast, what he calls the “smokestack chasers” or in

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2. Held at Lawrence, Kansas, September 27-29, 1970. An Index of the Proceedings of the sixteen previous conferences is now available and may be ordered at the cost of $3.00 from the Secretary, University Station Box 3925, Laramie, Wyoming 82070.
3. Frontiers of Science Foundation of Oklahoma.
industrial development groups favor promotional programs to sell the resources of the area, technical and vocational training to provide a work force for manufacturing firms, and community programs to attract industrial prospects. Because the policies of the two groups are not mutually exclusive, however, it is possible to combine them to optimize development strategy.

Commenting on possibilities for industrial development in the midcontinent region, Mr. Hadley expressed some reservations about the applicability of an economic development strategy based upon science and technology for the vast underdeveloped areas of mid-America because he doubts that many of our smaller cities have labor pools containing the specialized skills needed by these firms or have easy access to the specialized services such firms require. He continued:

On the other hand, combined impacts of the atomic and hydrogen bombs, urban blight with its accompanying problems of air pollution and waste disposal, and social conflicts have appreciably decreased the attractiveness of the large urban center as a place to live and a place to do business. Individuals and industries alike are finding our region more and more appealing.

No longer are we in a position of being frustrated in our efforts to attract industry. Quite the contrary—our region is clearly in the path of expansion of industry from more mature industrial areas. As our own industries continue to expand and more companies establish plants here, there seems little doubt that we will become increasingly industrialized.

Because of these factors, conventional industrial development programs can pay great returns in terms of economic growth. And this is why I feel that states should use aggressive industrial development programs to capitalize upon this opportunity. The payoff in terms of economic growth is clearly visible.

Mr. Hadley expressed some concern, however, about carrying an aggressive industrial development program too far. To his way of thinking a population growth rate of zero out-migration is ideal (that is, population growth would equal births less deaths). Thus, when industrialization has proceeded to the point that net out-migration is zero, it is time to look inward for additional growth opportunities. He suggested that at that point serious consideration can be given to enlisting the cooperation of universities, which are developing real strengths in areas related to existing industrial activities, with entrepreneurship programs in a mutual effort to encourage the growth of home-based industries—not just in high technology areas, but in all those areas that promise further economic growth.

A FABLE—AND THE COMMUNITY

There once was a nation of 200 million people that was the most powerful country in the world. At the national level, the inhabitants were very rich, but at the local level, they often turned out to be quite poor. And as luck would have it, they all lived at the local level.

This fable was told by Dr. Charles Kimball, president of the Midwest Research Institute (MRI) of Kansas City, at the conclusion of a talk in which he emphasized that “this region is largely an area of small towns and rural communities, hence more effort should be directed to the needs of these communities.” He reported that work at the Institute has so graphically demonstrated the growing magnitude and complexity of those needs that to deal with them MRI is establishing a Small Town Development Center. This will be launched early next year to be devoted exclusively to assisting small towns and rural communities with the entire gamut of local problems.

Dr. Kimball is convinced that other organizations also must take on new roles to stress development and acceptance of qualitative rather than purely quantitative goals in local and regional planning. Because the criteria by which he thinks MRI should be judged in the ’70s could be applied to any agency in Nebraska, or any state in the region, they are cited here (in slightly abbreviated form):

1. How well we attract and keep sound, competent professionals who have a sense of urgency—people who want to implement things . . . .
2. How well we handle the products of the social sciences, as distinguished from the natural sciences, and deal with broad questions on human values and problems . . . .
3. How well we continue to serve and receive the support of the leaders of this region, and maintain fruitful contact with them.
4. How well we serve as a trusted and respected source at all levels, not just to our professional peers.
5. How well we inspire our people—particularly the young ones—with a sense of excitement, a feeling of involvement—in meeting the challenges of life as it really is, not as we wish it were.

REGIONALIZATION AND PLANNING

A former Governor of New Mexico, Jack M. Campbell, who is now president of the Federation of Rocky Mountain States, Inc., told the group he is convinced that, in the light of growing complexities, regionalization in our country is inevitable, and that unless it is created and organized by persons at the local and state level it will be imposed upon us from the national level.

He believes it is imperative that both private business corporations and public institutions understand that in crisis-reacting people respond late and on a short-term basis. Options and choices are then limited; motivations are for current profit, political advantage, or professional gain, and thus achievements in terms of human values are minimal.

“This is not enough, certainly not now,” declared Mr. Campbell. “Unlike other animals we must not be content merely to react. We must perceive the future and seek new horizons. We must influence events. We must establish longer-term goals and we must set priorities. This is what policy making is all about. This is what distinguishes it from day-to-day decision making.”

WHAT OF THE FUTURE?

Speakers and participants at the meeting recognized generally that technological change leads to new social forms and new human values, and that the current emphasis on environmental conditions and the quality of life must necessarily influence the strategies of planners and decision makers.

Similarly, there was general agreement that the midwest does not suffer from a lack of resources but rather is an underutilized part of the country, largely because its leaders and its people have not been aggressive enough in identifying and taking advantage of its conspicuous natural advantages. There was agreement also that carefully planned action is necessary to count adverse trends and to capitalize on indigenous capabilities. It was pointed out that in the past our culture has tended to play the game of change on a “zero sum” basis, with the philosophy
“if you win, I lose,” whereas through proper cooperative effort and planning it can be played in such a way that all will gain.

Somewhat more specifically, Dr. Hadley maintained that if community leaders and state leaders work together they can create an environment that will set off a chain reaction of technological innovations resulting in a continuing stream of new products and new processes to insure future economic growth.

While agreeing with Dr. Hadley, Dr. Kimball is convinced also that not all regions should have the same priorities of goals and that development of quality goals—locally, statewide, and regionally—is the first key step to solving the problems facing the midwest. He foresees, moreover, unlimited potential in the service sectors of the economy, which are already evidencing tremendous growth. He also foresees that, in contrast to technological advances of the past, which have been somewhat random and sporadic, future advances in technology will come from the systematic application of knowledge to reach some predetermined goal, will be organized and controlled, and will be cumulative and self-reinforcing.

**RURAL SHOPPING CENTERS**

The following excerpt from an article entitled “Concepts of Rural Economic Development” has been reprinted by permission from the December, 1969, issue of the *Monthly Review*, publication of the Federal Reserve Bank of Kansas City. E.S.W.

The planned construction of rural shopping centers represents many interesting aspects of rural development. As service centers, they would primarily represent nonbasic employment and would compete for a share of the existing business over a larger functional economic area than most local businesses would be serving. Also present, however, is the belief of investors that these complexes will become growth centers. Developers can cite many economic advantages that might accrue to rural residents and commercial agriculture; yet, widespread acceptance and success have not been demonstrated.

It is probably true that many national retailers and regional distributors would like to consolidate their outlets into economic size units designed to serve larger geographic areas. There is also a trend toward regionally dispersed farm supply distribution points and decentralized farm product marketing. The concept of rural shopping centers is directed toward this blend of serving the household needs of rural nonfarm and farm residents and providing an accessible and complete range of commercial farm services.

Before assuming a defensive posture, rural towns should ask the question: Why are developers investing in rural shopping centers? If the answers relate to economic considerations, as they appear to, then a lesson from the history of urban change is relevant. Suburban shopping centers have grown dramatically while “downtown business” has declined. Earlier innovations in extending services (convenient parking and shopping hours, more extensive product lines) or in making downtowns more pleasant shopping environments would not have prevented suburban sprawl, but it might have stemmed urban decay.

These are issues of competition, but they do not directly answer the question of whether new shopping centers will contribute to an area’s growth or merely redistribute the relative share of existing business. Over a longer period of time, communities with successful rural service centers are likely to attract other business and show more rapid growth than peripheral areas.

Although no one seemed to know precisely how to implement goals for change, there was agreement that all available expertise must be applied, with increasing involvement of persons at the community level, and that the key to an effective strategy is cooperative effort to make more advantageous utilization of both human and material resources.

Deliberations of the Mid-Continent Research and Development Council, which is neither an action-taking nor a policy-making body, cannot be expected to provide solutions to the problems that confront the region. Such deliberations do identify problems, raise cogent questions, constitute a medium of exchange for such illuminating ideas as leaders of business, industry, education, and government can supply, and may stimulate planners and decision makers at all levels to initiate appropriate actions and policies. For these reasons salient discussions at the recent meeting on the subject of “Implementations for Change” have been herein called to the attention of readers of *Business in Nebraska*.

**THE QUALITY OF RURAL LIVING**

The following article on a topic of current interest by James D. Templeton, Director of Rural Affairs, Community Action Program of OEO, is reprinted by permission from the June, 1969, issue of *Rural Opportunities*. E.S.W.

THE QUALITY OF RURAL LIVING was the subject of a three-day workshop held by the National Academy of Sciences-National Research Council’s powerful Agricultural Board early in May. Forty-five of the nation’s leading experts in rural sociology, economics, education, health, and housing heard papers and debated policy on needed reforms in research and programs for health, education, and welfare, housing, employment, and income maintenance.

“Rural problems are national problems,” the group agreed. No county is going to create the schools of the future all by itself; and the city schools of today aren’t the answer either. Education for a skillful and useful life must be provided by the common efforts of the total community, state, and country, and should be available throughout the life of the individual.

“What do we mean by ‘quality of living’?” was repeatedly asked. What makes a good life? Freedom and economic justice, was one answer; equality and social justice, was another. The right to grow up healthy. Learning to understand and handle the environment you live in. The effective right to participate in the decision-making processes influencing their total environment.

That word “effective” is the key. Rural poor who don’t know they’re entitled to food stamps or commodities. Rural poor who haven’t the means to get to where the food stamps or the commodity centers are. Rural poor who are without a stove on which to cook the commodity foods. Rural poor who are denied the right to food because they made an extra dollar that month. These people have no effective rights—only human ones.

This is what rural community action is about: to make human rights effective rights. Small children’s effective right to a head start on learning; young people’s effective right to training and a job. Old people’s effective right to useful and honorable tasks. Everybody’s right to continue their education; everybody’s right to organize for self-help; everybody’s right to have a voice in the decisions that are being made about their lives.
Business Summary

Retail sales activity in September was a mixture, with gains in soft goods sales almost offsetting losses in hard goods. Overall, the state's level of retail sales was 3.4 percent above the same month last year.

Data in Table V indicate the major weaknesses to be in the equipment and automotive categories, both being markedly below last September's levels. Soft goods categories showing strength were groceries and meats, general merchandise, and variety store groups, with apparel sales also holding at a level well above last year.

Individually, the state's principal trade centers reported varying performance. Those recording overall levels lower than last September's were, for the most part, also those with declines in hard goods.

Holdrege, North Platte, Beatrice, Hastings, and South Sioux City, in that order exhibited overall gains of more than 10 percent over the same month a year ago. Among the counties and areas sampled, Cuming County had the highest increase, 22.9 percent, which was a higher rate of increase than shown by any of the cities in the state.

All figures on this page are adjusted for seasonal changes, which means that the month-to-month ratios are relative to the normal or expected changes. Figures in Table I (except the first line) are adjusted where appropriate for price changes. Gasoline sales for Nebraska are for road use only; for the United States they are production in the previous month.

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### Table: Business Summary

<table>
<thead>
<tr>
<th>Business Indicators</th>
<th>Nebraska</th>
<th>U.S.</th>
<th>Nebraska</th>
<th>U.S.</th>
<th>Nebraska</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dollar Volume of Business</td>
<td>343.1</td>
<td>422.9</td>
<td>105.3</td>
<td>106.2</td>
<td>95.1</td>
<td>97.0</td>
</tr>
<tr>
<td>Physical Volume of Business</td>
<td>243.8</td>
<td>219.7</td>
<td>101.5</td>
<td>100.7</td>
<td>98.7</td>
<td>97.8</td>
</tr>
<tr>
<td>Bank debits (checks, etc.)</td>
<td>257.8</td>
<td>439.7</td>
<td>105.5</td>
<td>104.5</td>
<td>91.3</td>
<td>98.0</td>
</tr>
<tr>
<td>Construction activity</td>
<td>193.0</td>
<td>160.4</td>
<td>84.1</td>
<td>93.5</td>
<td>100.8</td>
<td>103.0</td>
</tr>
<tr>
<td>Retail sales</td>
<td>158.2</td>
<td>185.2</td>
<td>102.4</td>
<td>100.3</td>
<td>98.9</td>
<td>99.7</td>
</tr>
<tr>
<td>Life insurance sales</td>
<td>422.5</td>
<td>463.5</td>
<td>104.3</td>
<td>102.0</td>
<td>95.5</td>
<td>99.2</td>
</tr>
<tr>
<td>Cash farm marketings</td>
<td>178.7</td>
<td>159.9</td>
<td>101.9</td>
<td>99.9</td>
<td>83.7</td>
<td>89.9</td>
</tr>
<tr>
<td>Electricity produced</td>
<td>505.5</td>
<td>556.5</td>
<td>106.0</td>
<td>107.0</td>
<td>107.4</td>
<td>99.2</td>
</tr>
<tr>
<td>Newspaper advertising</td>
<td>142.7</td>
<td>151.5</td>
<td>84.3</td>
<td>96.9</td>
<td>89.6</td>
<td>97.7</td>
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<tr>
<td>Manufacturing employment</td>
<td>170.3</td>
<td>125.8</td>
<td>96.1</td>
<td>94.7</td>
<td>99.5</td>
<td>99.4</td>
</tr>
<tr>
<td>Other employment</td>
<td>153.1</td>
<td>175.9</td>
<td>104.3</td>
<td>102.1</td>
<td>101.7</td>
<td>99.8</td>
</tr>
<tr>
<td>Gasoline sales</td>
<td>267.7</td>
<td>247.9</td>
<td>102.7</td>
<td>98.3</td>
<td>120.7</td>
<td>98.6</td>
</tr>
</tbody>
</table>

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### Table: Physical Volume of Business

<table>
<thead>
<tr>
<th>Month</th>
<th>Nebraska</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Month</td>
<td>1969-70</td>
<td>1969-70</td>
</tr>
<tr>
<td>August</td>
<td>218.2</td>
<td>240.1</td>
</tr>
<tr>
<td>September</td>
<td>218.0</td>
<td>239.9</td>
</tr>
<tr>
<td>October</td>
<td>214.6</td>
<td>243.1</td>
</tr>
<tr>
<td>November</td>
<td>206.4</td>
<td>238.1</td>
</tr>
<tr>
<td>December</td>
<td>220.9</td>
<td>241.7</td>
</tr>
<tr>
<td>January</td>
<td>224.1</td>
<td>246.8</td>
</tr>
<tr>
<td>February</td>
<td>231.7</td>
<td>247.3</td>
</tr>
<tr>
<td>March</td>
<td>222.6</td>
<td>243.7</td>
</tr>
<tr>
<td>April</td>
<td>226.3</td>
<td>248.0</td>
</tr>
<tr>
<td>May</td>
<td>208.3</td>
<td>243.9</td>
</tr>
<tr>
<td>June</td>
<td>229.2</td>
<td>248.3</td>
</tr>
<tr>
<td>July</td>
<td>222.5</td>
<td>249.3</td>
</tr>
<tr>
<td>August</td>
<td>243.8</td>
<td>219.7</td>
</tr>
</tbody>
</table>

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### Table: Retail Sales


#### IV. RETAIL SALES, Other Cities and Rural Counties.

#### V. RETAIL SALES, by Subgroups, for the State and Major Divisions.

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**Table Notes:**

- **SEP City:**
  - **No. of Reports**
  - **Percent of Same Month a Year Ago**
  - **Percent of Preceding Month**

- **SEP Locality:**
  - **No. of Reports**
  - **Percent of Same Month a Year Ago**
  - **Percent of Preceding Month**

- **Type of Store:**
  - **All Stores****
  - **Selected Services****
  - **Automotive Stores****
  - **Miscellaneous Stores****
  - **Miscellaneous Stores****

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**Variables:**

- **Kearney**
- **Lincoln**
- **Broken Bow**
- **Hastings**
- **North Platte**
- **Antelope**
- **Cass**
- **Cuming**
- **Sand Hills**
- **Dodge**
- **Franklin**
- **Holt**
- **Saunders**
- **Thayer**
- **Misc. Counties**

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**Footnotes:**

- **Hooker, Grant, Dawes, Cherry, and Sheridan Counties****
- **Outside Principal City****
- **Not including Selected Services****

To encourage private industry to create new job opportunities, rural America's future is linked to a growth-center strategy in this study done by the President's Task Force, which was headed by a Nebraskan, Mrs. Haven Smith of Chappell.

The report emphasizes the need for new jobs in the American countryside to: (1) help fulfill the needs of an additional 100 million Americans expected to be added to the nation's population by the end of the century; (2) attack the present underemployment of both the human and physical resources of rural areas; and (3) relieve the pressure on metropolitan America, thereby improving the environment for the total population.

Establishment of a rural development credit bank1 and of policies to encourage private industry to locate in rural areas are among recommendations of the report. Government guarantees of loans rather than direct government loans or grants, and government grants based on local participation also are suggested. The report calls for more emphasis on housing, nutrition, and welfare programs, urges strong participation by a concerned local citizenry in all such programs, and seeks the streamlining of Federal programs in support of rural development.

To support the growth-center strategy the President's Task Force specifically recommends:

(1) organizations on a county, multi-county, and regional basis to enable local communities to pool their talents and resources to plan and carry out rural development projects that might often cut across local political boundaries of the more than 80,000 units of local government;
(2) expansion of areawide health care programs and cooperation with regional health centers to bring a new level of health and medical care within the reach of countryside citizens;
(3) an expansion of the development of land and water resources;
(4) programs to preserve clean air and natural beauty;
(5) building rural development highways between small growth centers and larger urban areas;
(6) cooperative regional and interregional efforts to achieve the depth and competence needed for human resource and community development research;
(7) more multi-district and area vocational and technical schools; and
(8) the development of educational programs to assure people living in the small cities and towns and on the farms of educational opportunities that are comparable in quality and quantity with those provided others in the nation.

Private enterprise is urged to help train rural people in new trade skills, and throughout the report there is considerable emphasis on the role of private industry in launching a national effort to help develop "the rural countryside" in response to, and in close cooperation with, local communities exercising their own initiative and utilizing their own leadership.

D. S.

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Note: