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GOVERNOR'S RURAL
POLICY COUNCIL

SIOUX CENTER, IOWA

GOVERNOR'S RURAL POLICY COUNCIL

The Ninth Session

Sioux Center, Iowa

April 20, 1972

LONG RANGE GOALS FOR IOWA

"NORTHWEST IOWA -- 1992"

This transcript: Courtesy of the
CITY OF SIOUX CENTER

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GOVERNOR'S RURAL POLICY CONFERENCE
APRIL 20, 1972
SIOUX CENTER, IOWA

INTRODUCTORY REMARKS BY MAURICE A. TE PASKE:

Ladies ;and Gentlemen, with this prestigious audience I would like to occupy much more time than I have a right to or dare to. I want to assure the Governor that you probably know most of these people already yourself personally but this is a highly representative and fine cross-section of Northwest Iowa.

Let me just introduce the Governor, my personal friend, the Honorable Robert D. Ray by saying that Governor Ray is a friend of Northwest Iowa in every action of his political and public life these past years. The most outstanding example that I think Northwest Iowa should recognize is his personal espousal and efforts in behalf of the tuition grant scholarship program. This is a program that has worked vantastically well in Northwest Iowa as it is, dotted with many fine private colleges, has served Iowa and Iowa taxpayers are serving them. Its a good program for everybody.

I could go on at great length in every aspect of the administration of the Ray operation statehouse. We have seen fine cordial help toward Northwest Iowa and it is therefore a pleasure on my behalf as a host community of Sioux Center, Iowa to introduce your friend and mine, Honorable Robert D. Ray, Governor of Iowa.

GOV. RAY:

Maurice Te Paske we thank you very much. I want to thank each and everyone of you for the kind reception you gave me and this Council. We really don't have time for you to standup I'm sorry to say.

I would like to first of all take a moment to introduce the Rural Development Council. It was designed by request by executive order. Because it seemed to me like we in the State of Iowa have such great assets, and tremendous opportunities to go with an unlimited potential. But we ought to take those who are charged with the responsibility of performing a governmental service for our people and put them together so that they can coordinate the efforts that are being expended to perform those services.

I have been very pleased with the Council and particularly with the membership of it. Not to long ago we decided to move out of the capital city so we could get a first hand view of what these programs really are doing by the people who were administering them and by many people who were receiptents of them. We found it so successful that we thought we should begin to move away from the capital city into some of our other counties and learn so that we could better perform our service and our function as administrators.

We are here today being hosted by the good Mayor here and a number of people from this region. I can't help but appreciate Sioux Center and this county and this nine county region because we find here a quality of life that is as good as another community anywhere. I've just retruned from a visit to Japan and they are growing tremendously fast economically particularly. And in a conference with the Governor:

of the prefectures which are the same as our states here. I found that they have some of the same problems which we have in this country. They are particularly concerned with the problem of pollution. We are too! But ours perhaps is a little different for here in the State of Iowa we have an opportunity to prevent a lot of pollution. At the same time we must deal with that which already exists.

But our problems, and this is the point I want to make, are still manageable. So with some foresight and with some planning and with some good action we can do something about those problems. This is what our Rural Policy Council wants to do. Today we have a title for this meeting and that's "Goals for Iowa." It's kind of a forerunner to what I think you can expect in the future. The Legislature this last session adopted a resolution asking the Governor to plan a conference so that we can look into the future and plan the kind of state that we want.

This is consistent with Congressman Culver's request and suggestion. And with a number of other people who have wanted the State of Iowa to remain a good place to live. And in doing so we of course have to plan ahead and we want to begin today, I don't want you to think that nothing has been done before because many people have been surprised to learn of the activity of this Council and what has gone on before. But really seriously today is an opportunity for us to jump a little higher in our planning and development period of time.

I want to now take just a moment to introduce to you the people on this council. First of all is Charles Donhowe who represents the Extension Service. He is really sitting in for Marv Anderson who had to get out of the state. Chuck we're glad to have you with us today. Mr. Jim Gillman the Commissioner of Social Services, Mr. Jim Klein who is our Chairman of our Employment Security Commission, Dr. Arnold Reeve Commissioner of Public Health, and the Secretary of Agriculture the Honorable L.B. Liddy. You have met Maurie Te Paske the Mayor of this City who incidentally has had a longer tenure as Mayor than any other mayor in the State of Iowa. That's 33 years and I can tell you as a politician anybody that can stay any place in public life 33 years has to be good. To my far right is Dr. Richard Smith who is the Deputy Supt. of Public Instruction, Bill Greiner of our Soil Conservation Commission, and Fred Prievert the Director of our Conservation Commission, Joe Coupal the Director of our Highway Commission, Chad Wymer the Director of our Iowa Development Commission, Mr. Robert Tyson Director of our Office of Economic Opportunity, Mr. Wayne Laufenberg as the Coordinator of the Rural Development Council and is now our acting Director of our Office of Planning and Programming.

Now there are many things that I would like to be able to tell you at the outset of this meeting just as the mayor wanted to visit with you a little more about some of the important things of today's meeting but time is not going to permit it.

I can tell all of you who have agreed to participate, that your time is going to be very short too. For this we are very sorry because we would like to hear more from you. Any of you who might have prepared papers we would like to have you leave them for our study. And make whatever remarks you care to make. Recognizing that if we get far behind in the beginning then the ones in the end are really not going to have sufficient time. So, we are going to ask you to keep within a framework of time if you will. Just before we begin I would like to

tell you one reason why we are so pleased to be here in Sioux Center. We got a little information from Sioux Center that appears in this booklet that each one of the Council members has so they will be familiar with the community where we are today.

I was very impressed with the last statement that appears in this brief look at Sioux Center. We talk a little bit about some of the growth in this community which is a little unusual for a rural area. But then toward the end it says, The people are what makes Sioux Center. The community is comprised of people who like the better things of life; people who like to live and educate their children in an environment that rings of Americanism.

That's rather a refreshing statement. It is one that I think sets the stage for today's meeting. Thank you very much.

URBAN RURAL RELATIONS

By: Mayor Paul A. Berger
Sioux City, Iowa

Governor Ray, Mayor Te Paske, Distinguished Members of the Rural Development Commission, my Fellow Northwest Iowans, Ladies and Gentlemen:

May I first express my sincere gratitude to the convenors and planners of this symposium on the future of Iowa and Northwest Iowa in particular, for the honor and privilege granted me to participate on this distinguished panel.

All of us assembled here today are linked together in the common bond that we are all citizens of the great state of Iowa, and I would hope share a most profound appreciation of that blessing. I am sure that without exception, everyone of us in this assembly are concerned with the future of this region, and everyday are making decisions which are going to have a marked influence on the future of Northwest Iowa. If we were not concerned and involved, we would not be here today.

When asked to speak to the subject of Urban-Rural Relations my first reaction was that it should be easy, but after reflecting on the idea, I almost became convinced that your choice of speaker was indeed a poor one. At this moment the thought is passing through many minds that there stands the mouthy Mayor of Sioux City who time after time spews his venom over the air ways condemning the "rural-dominated legislature" that is totally unresponsive to the needs of the cities of Iowa. Okay, I'll plead guilty, but every Mayor, Councilman, Supervisor, Legislator, Governor or any decision-maker in this room for that matter, will say or must say from time to time that which tact would leave unsaid.

Be assured, however, that the mouthy Mayor of Sioux City also recognizes and acknowledges our total dependence on the good will, friendship, and patronage of our rural neighbors of Northwest Iowa. We need you, and you need us. What we both need is more understanding.

It is becoming obvious to many of us that our structure of government, not only in this state, but in the nation is in dire need of change and revision to more adequately meet the needs of our fast changing society. It seems to me that in our reverence for the past and what must be an inherent resistance to change, we have somehow lost the vitality, the imagination, the courage, and the innovative drive of our forefathers; who we must admit were the radicals and malcontents of their era. Lest I be accused of treason, let me submit to you the following quotation:

"I am not an advocate for frequent changes in laws and constitutions. But laws and institutions must go hand in hand with the progress of the human mind as that becomes more developed, more enlightened. As new discoveries are made, new truths discovered, and manners and opinions change, with the change of circumstances, institutions must advance also to keep pace with the times. We might as well require a man to wear still the coat which fitted him when a boy, as civilized society to remain ever under the regimen of their barbarous ancestors."

I think we will soon see a national policy of population and job distribution implemented in this country that will inure to the benefit of Iowa if we are but prepared to act and to act wisely.

Northwest Iowa is painfully aware of the out-migration of young adults from this region, and something must be done to stem the outflow of this most productive age group from our area. Iowa is suffering a "brain drain", because our excellent educational system is providing talent for other areas of the country. We must provide meaningful economic opportunity for Iowa's most precious asset, our youth.

In closing, I would like to compliment Gov. Ray for his wisdom and foresight in initiating this series of conferences dealing with planning for the future of Iowa. Until recently planning was a dirty word and meant to many people the interference with the individual's freedom to exploit his environment to the fullest extent. Today we recognize sound, sensible planning as the vehicle to the attainment of complete fulfillment of potential through the wise management and utilization of our inherent strengths and natural resources.

The achievement of these goals and objectives will require the dedicated commitment and cooperation of all Iowans.

COMMENTS:

GOV. RAY

Mayor Berger, I do think you set a good beginning for us at this particular meeting because what you say certainly makes sense. Planning does take on a different meaning than it use to. It is something we all must be aware of and we a part of. So, I want to not only compliment you but thank you for your remarks.

COUNCIL MEMBER

I particularly thought your comments about planning, just last week I took over as acting director of Planning and Programming. Our attitude toward plannings is a little unconventional and I hope in line with what the people want. Thats why we're enthused about conferences and meetings such as this. It gives us an opportunity for the people to tell us what they would like planned for the future rather than the other way down. We are totally opposed to the idea of planning and telling people what to do. We want people to talk about what they want the future to be and then we can through technical assistance and doing some of the research and some of the planning on this we can make it become a reality.

MAURICE TE PASKE

Next presentation is by my brother A.H. Te Paske who is the Vice-President of First National Bank here in Sioux Center. He is speaking from Sioux County on Rural Community Development.

RURAL COMMUNITY DEVELOPMENT

By: A.H. Te Paske
Sioux Center, Iowa

Governor Ray, Members of the Rural Policy Council, Distinguished Guests, and Friends:

Your committee assignment to me was to address myself to long range goals for Northwest Iowa Rural Community Development. There are twelve topics on today's agenda and all of the other eleven deal with specific aspects of community development. It would therefore be difficult to talk in very specific terms about rural community development without mentioning agriculture, health, education, or any of the other aspects of our existence, present and future, without intruding into areas assigned to other persons who will appear before you. In an effort to avoid such intrusions it is my purpose to make some broad observations and to offer a suggestion which may be helpful to us approaching the task of establishing some realistic goals for 1992.

The demise of the small town has been regular grist for the prophets' mills ever since I can remember. The time table has been shifted and the minimum viable size of communities has been changed - mostly upward - but it is always the same requiem music for the words "The small town will not survive."

But the small towns don't seem to get the message. Perhaps they don't know how often they have been given the "Bang! Bang! You're Dead!" treatment in the game of economic forecasting. In any case here in northwest Iowa they are practically all still here and are generally unwilling to admit that they are anything but lively places with a future. From '60 to '70 only two of Sioux County's thirteen incorporated places showed a population loss - together they showed a loss of 44 inhabitants. The rest recorded gains ranging from 1% to 52%. So I'm not ready uncritically to accept - nor do I think anyone in this room is ready to accept at face value all of the findings and recommendations of the recent report by a presidential commission which proffered the suggestion that government programs should be directed toward those communities which have or have the capability of attaining a population of 25,000 or more and that the rest, being beyond hope, should be written off. By these standards we would have to write off every municipality in the area represented here today other than Sioux City. This thought is too shocking for most of us to believe or accept.

But this is not the first time that we have been confronted with studies and reports whose conclusions we either cannot believe or cannot tolerate. Most will remember a Council of Economic Advisors' report forecasting a massive drop in the number of farms. Before the dust settled on that one the C.E.A. and the government were charged with conspiring to destroy the family farm and there were even threats of a boycott on the Ford Motor Company because one of its executives happened to be a member of the Council. But the powerful forces at work in the economy continued to have their way and we have all been witnesses to the accuracy of the "infamous" report that identified them.

Another dirty word that we had around here for a while was something called the "Great Plains Report." It indicated a need for fur-

ther reorganization of our public school system. I would pity a statesman who sought to run for office on a platform containing identifiable recommendations from the Great Plains Report. But the fact remains that school systems throughout the state are plagued with financial difficulties and that many are not offering the facilities and programs that they should be able to provide at present per pupil costs.

So even if we can't accept or believe some parts of studies, reports and forecasts, enough of them have been proved sufficiently correct as to suggest to us that maybe we aren't reading them entirely right if we are reading them at all. Instead of seeing in the C.E.A. report a conspiracy to destroy the family farm, couldn't we have seen merely the identification of a trend directly affecting our lives and to which we had better begin making adjustments? Couldn't we instead have understood the Great Plains Report to say "Yes geography and community pride or a combination of them may compel you to operate less efficient school districts but, if this is your choice, you are going to have to pay for them?" So now comes this shocker about a 25,000 population being the bottom limit. Are we going to respond to it like the despot of old who regularly shot the messenger who brought bad news or are we going to read it, ponder it, and in relative calm say to ourselves, "In the face of these indications and recommendations what effective response can we make?"

A suggestion! Can we not properly interpret the report as saying, for example, that communities of 5,000 or less can continue to survive, depending upon general economic conditions, random events, and the energies of their people, but they cannot all expect to be Sioux Citys. I think most of us could accept such a fate. Indeed, with all due respect to our friends to the south, there are quite a few of us who would prefer to live in a much smaller town and, by choice, to depend on larger center for certain goods and services that we cannot economically provide at home and which we are willing to forego trying to provide at home in order that we, together with people in other communities like ours, can help to support a higher level of quantity and quality of such goods and services in the center on which we are primarily dependent for them anyhow.

Admitted, drawing such lines would be touchy and difficult and of necessity there probably always would be a fairly broad gray area. But there are some obvious ones. Most of us depend upon Sioux City for scheduled airline service. We have some complaints about it but, considering our population density and our location, we probably have better scheduled airline service than most comparable areas in the nation. But what would happen if Sioux Center were to set as its goal the eventual establishment of scheduled airline service to our own community? First, we would obviously be doomed to failure. Second, in the process of attempting it we would shortly exhaust our resources. Third, any measure of success, however small, would serve primarily to dilute the ability of Sioux City to provide such service. This is an admittedly extreme example but I believe that the principle is valid and that we should apply it more frequently.

There are and will continue to be substantial areas in which communities at various size levels will help to continue their viability if they will voluntarily put some limits on those things which they seek to do for themselves. The principle can apply not only when we

decide whether to do it at home or let Sioux City do it, but also in decisions whether to attempt certain activities in each of our little towns or whether the "very little" ones should agree that they would depend upon the "not quite so little" ones to meet the need. Further, when towns of the "not quite so little" range lie within reasonable proximity to each other there well may be many instances in which both would be better off if one would tacitly consent to refrain from a governmental or commercial venture when the other is already providing such a service satisfactorily.

There is also room for state and federal government participation in such an approach. Government funds should not be used for the purpose of proliferating mediocrity throughout the villages of our state when, by a saner approach, and, granted, some better-than-Solomon decisions in equity, government funds and programs could be aimed at establishing quality, reasonably accessible to all.

Implicit in this suggestion is an aspect which seldom receives the attention it deserves. If the "tiny" and the "small" communities are to help the large center in doing what it does best, it follows that the larger, through a blending of governmental and private action, must also help the smaller to do those things they do best. Failing this they lack that which they seek to be the center of.

This is contrary to the expensive and often suicidal "knee-jerk" type of competitiveness which has almost become dogma among us. But, if by 1992 we could have functioning a proper and broadly recognized definition of the role of our communities of various size, we will have done much to assure the survival and viability of most.

COMMENTS:

L.B. LIDDY

I would like to ask you what the future holds for young people entering farming as far as credit and finance is concerned? Other than governmental.

A.H. TE PASKE

I find that we are having a rather adequate supply of finance at the present time for our farm friends. The fact of the matter is we just had a little case of piracy where a bank from southeast was running short of loans and picked off one of our better customers. This was some 60 miles from here. So the situation has changed a little bit. The good farmer is not going to have any trouble finding finances I don't believe.

GOV. RAY

How true do you think that is for other segments of our State here in Iowa? You here are living in one of the richest land areas of our State. As a matter of fact your living in cattle country and pork country. Here people do enjoy some wealth where I don't think that is true in all parts of this state.

A.H. TE PASKE

The loan we have in excess demand of loans locally. At the present time we are selling them to banks outside of our area including banks in some smaller agricultural areas of Iowa. I think that

there may be a tendency as we get nearer some of the larger cities and money centers to find a more lucrative type of lending and this may divert somebody from farm but I believe that in this area we are quite well taken care of. I can not speak for the rest of Iowa because I don't know their situation.

GOV. RAY

I think you touched on a very key point and that is the distribution of our population. You center it very well when you talk about where people want to live. There are people who would prefer to live in a metropolitan area. Surveys that I have seen indicate that most people would like to live in what we call the small community. A 5000 population community. And it would be indeed a catastrophe and tragedy if we were to eliminate that size community which offers so very much. And I think that you are looking at one of the very good communities. The people appreciate that fact. It does offer a quality of life that has come normally in the State of Iowa and not only by our people but other people would also like to; actually I don't mean that all these people all over the country who would like to live in this kind of a community. And so it seems to me like it would be nice for us to promote that type of living. It's been accepted as a fact that which some people would say, and that is that they can't continue to exist because obviously some apply very well. Your community is one that has grown about 50% in the last ten years.

COUNCIL MEMBER

When your talking about financing, agricultural farms and also agri-business, are any of the insurance companies increasing their business to you in indication of money available today.

A.H. TE PASKE

Yes, we have quite a shift in this field in the last couple of years. There was a period, I think, of about a year when we had only one insurance company aggressively bidding for our long term agricultural loan business. But, now we have quite a number of takers. We can dicker a little bit.

COUNCIL MEMBER

We have found this to be true at least when some of the large ones begin to turn out more. What about your financing for you cow-calf herd operation in the area. Is this adequate today.

A.H. TE PASKE

Well, we have had some entry over the cow-calf herd business but there have been some fears expressed also that it could readily be over done and that so far as this shift is concerned while desirable in some of the areas of lessor land fertility or lessor land cost. It doesn't fit as well here as it might be causing the relative scarcity which we call cheap land.

MAURICE TE PASKE

Next speaker is Bill Tobin, City Clerk from Rock Rapids who will speak to us on Local Government.

LOCAL GOVERNMENT

By: Bill Tobin
Rock Rapids, Iowa

Gov. Ray, distinguished members of the Rural Policy Council--your presence here today indicated your willingness to assist in the achievement of the long-range development of Northwest Iowa. The intent of this conference is commendable and on behalf of local government in the nine counties represented here today--thank you for being with us.

The goals that are set by the many communities represented here today vary to some extent from town to town and year to year. However, regardless of what specific goal or goals a municipality may establish for itself, all municipalities can be said to have a common goal, and that goal is to provide for the needs of its citizens, to do those things the citizens cannot or do not choose to do for themselves.

The long range goals, as well as the short range goals of the cities and towns of our area are for the most part vested in the Iowa State Legislature. The Legislature does not appear to understand local government, but they must understand us if we are to attain the goals we strive for.

Soaring increases in commodities and services have left communities hard pressed for the funds necessary to adequately carry out their responsibilities to their residents. For many years, while costs have continued to spiral, schools, as well as other governmental units have been able to obtain the additional funds required to meet their ever increasing needs. During this same inflationary period cities and towns have been shackled to the 30 mill limitation.

Property taxes have risen sharply. The urban citizen has, in some instances, noted a decrease in services along with his increase in property taxes. Property tax should not be raised. The 30 mill limitation on the functional funds is proper.

The 30 mill limit may be proper but it is not sufficient and must be supplemented with revenue from other sources. The Legislature can and must provide the source for the needed additional revenue. The revenue may be generated by an increase in state sales tax, a method strongly supported by communities in this area. It may be necessary for the Legislature to increase state income tax. If neither of these sources are acceptable to the Legislature they have the prerogative to give municipalities the right to go to their citizens to sell them on local option sales tax or other local option taxes. There are uncertainties as to the best approach to supplement local government revenues but one thing is certain - local government cannot function adequately and indefinitely on 30 mills.

Today there are many federal and state programs available purported to "bail-out" the community in financial distress. These programs are good and have been the answer to a prayer for many cities and towns. Local dollars, however, are necessary to match the federal and/or state dollars, and those local dollars are not always available particularly to the community with the greatest need. Local governments that have undertaken these programs have found, upon completion of a project,

that the 30 mills are required to be stretched further to provide the necessary operational and maintenance funds.

Our funds are further depleted, with no promise of replenishment by state legislation. Laws relating to such matters as police retirement and sanitary landfills may well be enacted for the public good. However, a provision that is conspicuously omitted from these mandates from the legislature is the provision that spells out where the revenue is to come from to implement the law. Most likely the edict will say "from the public safety fund" or "from the sanitation fund". Northwest Iowa communities cannot continue to meet unlimited obligations from the limited functional funds.

The ability to achieve our goals is tightly woven in with our ability to obtain revenue as well as to put the revenue to the best possible use. To have the Legislature raise taxes for us or to give us the power to raise our own is not the whole answer. The Legislature could ease the financial squeeze and help Northwest Iowa communities in their long-range planning by broadening the provisions of Chapter 28E, Joint Exercise of Government Powers. If the Legislature were to ignore the pressures put to bear by private interest groups and clarify the ways and means of financing joint projects, and grant broad use of tax exempt bonds under this chapter, local government, as well as other governmental units in this nine-county area, would be benefited appreciably.

This Council should embark upon a program to help inform and educate the communities of our region on the joint use of facilities. It cannot be justified that each of our cities and towns should have an airport, museum, fine arts center, or indoor swimming pool. Such projects, however, can be justified, economically feasible, and practical when considered as a joint venture between two or more governmental units.

Each of our communities are by nature, somewhat jealous of our neighbor - we have the feeling that the other fellow is often promoting for his own gain. In fact, we are sometimes down-right distrustful in the eyes of the community next door. We know however, that it is imperative that we work harmoniously. To this end it is felt that you can assist us by instituting a program of information, education, and perhaps by offering incentives from the various state agencies, promoting the joint use of facilities.

Our communities will be guided to the realization of their goals by the leadership of local government. Local elected officials are involved in the day to day, face to face government of the people. Their responsibilities are tremendous and their reward is certainly not monetary. The difficult task they assumed at times appears to be impossible. They are dedicated people doing a commendable job, despite the many handicaps imposed upon them.

Legislative action, or the lack of it, has imposed handicaps which have, in many cases, discouraged capable, responsible leaders from serving their fellow citizens as local public officials, State government must recognize and promote good local government, for good government at all levels must start at the local level.

The long range goal for local government in Northwest Iowa communities is basic to provide for the needs of our citizens. The needs as well as the means of achieving our goal will vary from community to community, but our common goal can be achieved. It can be achieved by loosening the chains that shackle us to the 30 mill limit, not by increasing the 30 mill limit, but by providing our communities with additional revenue or the means to acquire it. It can be achieved by providing monetary assets to compensate for the legal liabilities imposed by the State legislature and State Agencies. Our goal can be achieved by broadening the provisions of Chapter 28E and helping to inculcate the need and advisability of joint use facilities. Finally, we can achieve our goal with the State's assistance in creating the proper image local government must have.

COMMENTS:

GOV. RAY

Mr. Tobin, we have worked, I think every government in the country has worked for government charge. The Federal government who takes the bulk of income taxes as you well know. If we are to succeed which there is always the belief that continues to linger that we might eventually and you were given some money directly on a revenue sharing basis, no strings attached, how would you see that you would spend that money. If you were to be given that money today. I know it would depend on how much but if you had a lump sum of money. What are the urgent needs that if you had some money that was given to you directly today you would use it for.

BILL TOBIN

For development of sanitary landfill for one thing, which is approaching upon our community as well as others. This is an urgent need.

GOV. RAY

That is something that I presume you really don't have the funds for today and yet the need exists.

BILL TOBIN

Yes. The need exists in the very near future.

COUNCIL MEMBER

Is there some consideration on the city to join with others in the area to form a central facility for several communities.

BILL TOBIN

Yes. This is true. I do believe that some good hard look at Chapter 28E would assist us in giving us some direction as to just how we might go about financing such joint venture. We believe in our area that this is the only possible way that we can provide the facilities for our citizens is by joint use of the facility with our governmental units.

GOV. RAY

Have other communities surrounding yours or nearby that are talking to you about some of these same common problems?

BILL TOBIN

Yes, most of the communities in our area are experiencing these problems. Infact, we have in our particular county formed a group consisting of representatives for our municipal government to find a common solution.

COUNCIL MEMBER

Mr. Tobin you made frequent reference to Chapter 28E on inter-governmental contracting to provide you with services. What specific clarifications and/or improvements to 28E do you see as being necessary to make it a more viable tool.

BILL TOBIN

I believe it will be necessary to be rather specific in that particular chapter as to the procedure that a municipality or another governmental unit can raise the revenue to build these joint facilities. The broadening of the provisions relative to revenue bonding is really the key issue in the particular Chapter.

MAURICE TE PASKE

We'll go right on with a presentation on Industrial-Economic Development by Walt Williams, Dir. of Industrial Development, Spencer Development Corporation, Spencer. Clay County, Iowa.

INDUSTRIAL AND ECONOMIC DEVELOPMENT

By: Walt Williams
Spencer, Iowa

Governor, Members of the Council, Friends and Citizens of Northwest Iowa. I would like to preference my remarks by saying that by the very nature of my topic there is bound to be duplications of comments.

I think first we should define the topic. Everyone is aware of industrial development; however, in case you have forgotten I will try to define it for you.

Most of you are familiar with the U.S. Chamber report on what 100 employees mean to your community in added households, school children, personal income, bank deposits, additional passenger car registration, additional retail establishments, and additional retail sales. Aside from this it means more people in town that have jobs with spendable income. It means a new or existing building that is occupied and turning out a product. It means broadening the tax base. It means a greater demand on existing services or it may create new services. In addition, it could mean pollution of air, water, ground area, and excessive noise for the community.

However, with the good and the bad features, my community and I think most communities present would welcome all the new industrial prospects they can get.

ECONOMIC DEVELOPMENT. Webster defines this as a social science concerned with the production, distribution, and consumption of goods and services. In this regard our Board of Directors is divided into committees. One is called the Professional Committee. It is their duty to search for professional people such as doctors, technicians, architects, attorneys, etc. We believe that anything that creates traffic is good for our community whether it be a professional person, state or federal office, conventions, or whatever. For example; our community was successful in acquiring the State Bowling Tournament which will take place in the winter of 1972.

Why all the effort on industrial and economic development? This nine county area that we represent today had a population in 1960 of a little over 251,000. In 1970, 10 years later, the population is slightly over 243,000 a loss of approximately 3 per cent or 8,000 people in 10 years. This loss is almost the same as losing the entire population of Osceola County. By the same token, there are communities in the nine county area that have gained 1 per cent to 50 per cent in this same period. Likewise there are communities that have lost from 1 per cent to 20 per cent in this same period. The retail sales tax for the fiscal year ending June 30, 1970 was a little over \$16 million and at the end of the fiscal year ending June 30, 1971, sales tax amounted to \$15½ million with the percentage of decrease about the same as the population decrease.

Since we are discussing long-range projects for Northwest Iowa, I have a few items to discuss. Some of these are in the planning stages and some are long-range projects; but it is my feeling that it will assist Northwest Iowa in acquiring additional industry.

1. I feel that there is a need for better highways whether they be called freeways or expressways. Industry needs better highways to transport the raw materials in and the product out.

2. There is a definite need for some sort of commercial air service. Our travel agency in Spencer sells between 5,000 and 6,000 airline tickets annually. These people have to travel from 60 to 200 miles to board their plane. While we are on the topic of air transportation, I am told that there is a large void in Northwest Iowa for additional navigational aids for private and corporation planes.

3. We have enjoyed for the past 5 years the services of a resident representative of C.I.R.A.S. which is a branch of the Extension Service of Iowa State University. This man has been a big help in assisting the various existing industries with their problems. Recently, this man has taken employment with one of these industries and it is my feeling that the industries in Northwest Iowa need a replacement for this man.

4. In the past we have had a resident representative of the Iowa Development Commission. He has been moved out of the area and has not been replaced.

5. I feel that there should be a serious study by our Commerce Commission regarding the request from railroads to remove many spur lines in northwest Iowa. We have a very good balance between agriculture and industry and with the removal of these spur lines the farmers will have a difficult time shipping their grain to market.

6. There are many inter-related factors in industrial growth. One is an economic climate which is governed by local representation on the state level. With the redistricting that was dropped in our laps approximately 2 weeks ago, I am not sure we will know who is representing us. For example; Clay County has been divided 4 ways.

7. I feel that the report on Regional Delineation of Iowa prepared by the Office for Planning & Programming should be put into effect. This would bring offices of state government closer to the people and to industry.

Finally, we must be ever mindful of our state corporate tax structure to keep the state in an attractive and competitive position.

COMMENTS

COUNCIL MEMBER

Relative to your last recommendation on the regional delineation, it is my understanding that most of the State offices do not have area offices either with the delineation that's set up in that regional bases. Do you have any in particular in mind that you were referring to.

WALT WILLIAMS

We do have 14 state and federal offices in Spencer now.

COUNCIL MEMBER

As you indicated the state, lines have been drawn in 16 regions of the state based on economic and social patterns. I think this was

done about 1967. This kind of an approach can serve several purposes. As you know government is very complicated. I have some figures here. These are the kind of things that the Governor and people of State government have to deal with and its the responsibility of the office of Planning and Programming to help the Governor in behalf of coordinating these various programs and units of government. There are just some of the complexity of government that we do have to deal with. Right now there are some 65 major state departments and there are some over 140 commissions, boards and agencies. Thats just at thats just at the state level. At the local government level and the state we have 1787 local units of government including 95 city governments, 455 school boards, 99 counties, 250 special districts. In terms of Federal programs, the Federal catalog lists 1069 federal assistance programs and nearly 120 major functional agencies offered by 62 federal agencies and bureaus. This is complex government.

WALT WILLIAMS

Maybe this is our problem. When I request for assistance on our sewer this has to go through like 30 departments before it has the final approval.

COUNCIL MEMBER

Well, this is part of the problem. But on the other hand thank God for the problem because this is how democracy works. We could set up on dictator in Washington, and run programs that would be very efficient but this isn't the way and I'm very happy that it doesn't work that way. And we're very happy that government is complex. Now these districts can be viewed from several-Each district usually contains anywhere from 5 to 10 counties. The purposes of this is to run all federal government agency programs within that district. You have one central location so that if you wanted to find out about a federal program you could go to that service center. It can be a place to coordinate and organize all state programs. On the other hand it can be a devise for county governments to come together and work on their common problems and solve their problems.

WALT WILLIAMS

Are you telling me this will come about?

COUNCIL MEMBER

Well, it could come about if that is what the people want. I think that through a series of conferences on the goals, that we'll have this summer. Major state planning conference called by the state legislature. Through the summer these will be occurring. By the end of the summer we can sit back and see is this what the people of Iowa want. If it is let's go ahead with it and if its not let's try something else.

MAURIE

The next presentation will be by Leo Carlson, President of First National Bank in Sibley, Osceola County on Transportation. This is one we are all enthusiastic about. Mr. Carlson.

TRANSPORTATION

By: Leo E. Carlson, Jr.
Sibley, Iowa

Governor, Distinguished guests, Ladies & Gentlemen, Members of the Council: I appreciate the opportunity to talk with you about transportation in Northwest Iowa.

Transportation, to most of the residents of Urban complexes in Iowa and the nation, is pretty much of an abstract concern. They are within blocks of all the necessities of life and most anything else that they might possibly wish to have.

Such is not the case in the rural areas of Iowa and the nation. Take Northwest Iowa for instance, people living here are over 200 miles from both Des Moines and the Twin Cities. All that is in their immediate vicinity is an abundance of corn, beans, cattle and hogs. Everything else must be transported to them and it naturally is more expensive as a result.

So transportation in this region is not an abstract or academic concern, it is a reality upon which our very lives depend. If we can improve our transportation, we can improve our economic position, and with that we can sustain our population and put an end to the out-migration of our people to the cities where they just contribute to the mounting urban crisis.

Here in Northwest Iowa where distances are great and the need for high speed highways is imperative, in order to cut travel and delivery time, we have to content ourselves with the worst two-lane cowpaths both Iowa and Minnesota have to offer. There is, at present, not a single major 4-lane highway in Northwest Iowa. Small wonder we find ourselves crying out with frustration when we read of urban people fighting highway construction when we so desperately need, and would strongly support, the construction of good roads out here.

Airline fare between the Twin Cities and New York is approximately \$80.00 and passengers ride the big jets, eating steaks and sampling the wines, or whatever. Out here, where we are four hours from the Twin Cities and four hours from Des Moines by road, the only airline service is North Central's prop jets out of Worthington, Minnesota, and it costs \$25.00 to fly to Minneapolis while being treated to powdered coffee. Not only that, and probably more importantly, we live under constant threat of even this service being discontinued because the airline says it can't make money serving us. Even Sioux City, where we can catch a DC-9 jet, is constantly under these same pressures and has experienced some reductions in service in recent years.

In Northwest Iowa, our commerce is agriculturally based. As such, we deal in bulk cargoes of corn, soybeans, cattle and hogs, ideal products for rail transportation. But our railroads can't wait to abandon service, again using the no-profit claim. This continuing process has perhaps a beneficial side effect, giving us whole new vistas for bike paths in Iowa which may assure that those of us who are left in Northwest Iowa 20 years from now will be glowing specimen of health.

Every rail curtailment throws more of a load onto our trucks and our inadequate highways. If transportation is defined as the business of moving goods and people, it stands to reason that it becomes all the more important with each additional mile of distance involved. For those of us living in Northwest Iowa, transportation is one of the most vital problems to be solved by those concerned with economic growth and the general welfare of the people.

Let's consider the problem by its' component parts. Let's start with highways for they are the backbone of commerce. What does this region need in the way of highways?

First of all, there are certain major highways that are more than mere roads. They are economic development arteries.

They serve communities in which major industrial growth has begun to take place and are, in fact, in large measure responsible for that growth.

Perhaps the most important of these roads is in Minnesota, namely Interstate 90 crossing the southern edge of that state. It serves the entire region on both sides of the border, and after a slow start it is getting more emphasis now and is scheduled for completion in 1976.

But other roads of equal or more importance, at least to Northwest Iowa, are not. They are Highway 60 cutting diagonally across the region and providing its main link to the port of Duluth, the Twin Cities, Sioux City, Omaha and the Southwest; Highway 71, the north-south federal link from Canada to the Gulf, and Highway 18, the east-west regional carrier in Northwest Iowa.

All three of these - Highway 60, Highway 71, and Highway 18 (But: Highway 18 is to be 4-lane only as far west as Spencer) are all designated four-lane expressways by the highway departments of both Iowa and Minnesota, but all are languishing because of a lack of money and priority.

New industrial growth that has taken place has been predicted largely on the premise that someday these roads are to be upgraded. Chase Bag at Sibley, Allied Mills and Boise Cascade at Worthington, Tony Downs at St. James, Univac at Jackson, McQuay, Inc. at Spirit Lake, these are just a few new industries that have recently moved to the country and are served by these three roads. How many more would there be if road building promises were road building realities?

If this region is to grow, or even hold its own, it must be given the tools with which to work. Highways are one of the major ones.

If government, at both the State and Federal level, is serious about reversing rural out-migration, then let government get serious about building economic development highways. If this requires the diversion of funds being spent in urban areas where people are fighting road construction, then let the diversion begin. If it requires the issuance of bonds, going into debt, to build these desperately needed roads now, rather than ten years from now, let the issuance of the bonds begin. A strong case could be made for the savings in construction costs more than off-setting the cost of the

debt. It's one way of making everybody happy.

Not, let's talk about railroads. It never has made sense to me that one could move goods cheaper by investing in a \$25,000.00 truck, fueling it with diesel fuel carrying a tax of 7½¢ a gallon, hiring a \$5.00 per hour driver, and running on \$200.00 tires, than one can do by rail.

Railroads say they can't compete despite the fact that one "driver" can operate locomotive controls to transport over 100 truck loads and that one diesel engine can move weight a dozen times more efficiently than can 100 separate truck motors.

The railroads solution has been to consolidate depots, abandon branch lines and withdraw service. It's happening throughout our region with distressing and increasing frequency.

The railroads claims of great savings by such action must make the effected depot agents the highest paid people around for it is obvious the railroads never invested any money in physical plant or equipment. Some of these quaint old buildings are being bought and moved by people as remembrances of a by-gone era.

Rails, in theory, are the most efficient method of moving bulk cargoes over land. The fact they aren't, could well be due to a combination of unfair governmental regulations, archaic work rules and unwillingness by management to really work at the business of running the railroads.

If tariff regulations put rails at an unfair competitive advantage change them. If management is siphoning off rail profits to subsidize other activities of conglomerate rail companies, then let us have legislation to force railroads to fulfill their function, for they are in reality quasi-public utilities.

And work rules need to be changed. Right now, the minimum train crew is made up of an engineer, fireman, brakeman and conductor even on branch lines where the number of men in the train crew sometimes exceeds the number of freight cars in the train.

Where rail lines are carrying numerous trains this may be justified, but it is simply ridiculous on branch lines where there is not another single bit of traffic to pose a hazard. Four men doing the work of one is a luxury we can no longer tolerate where branch line profit potential is small. It is time to split the work rules between the branch lines and the main lines since there is no longer any resemblance between them.

Freight rates also work to our disadvantage and need to be adjusted if the outstate areas of Iowa are to compete successfully, We find it necessary to pay too much for the miles that lie between us and our markets, and this factor is one powerful persuasion for industry to remain in the cities.

We think government has a legitimate interest in seeing to it that outstate areas can compete on an equal basis even if this entails a Federal transportation subsidy to equalize competition between plants in rural areas and those in cities.

Much the same is true when it comes to air travel. We already pay for the miles, but under the present system, we also pay more per mile for a lower standard of service than do people elsewhere.

It cost us almost as much to fly by North Central or by any of the third level carriers in our region to Des Moines or Minneapolis as it does to fly first class from either city to Chicago.

It is impossible for commerce to exist in any reasonable volume in outstate areas without air travel because distances are too great and the time lost in travel too high. So again, government has a legitimate reason, if it is serious about equalizing growth and reversing rural migration, to subsidize air travel on commercial carriers to a greater extent than it now does.

One way of doing this and achieving a second goal as well, is to make more extensive use of third level and scheduled carriers for transporting mail to urban centers. Postal contracts could go a long way toward improving the economic base upon which air service rests and could make a major improvement in postal service too, something that is also of major concern to Northwest Iowa.

In recent years, bus lines have begun cutting back on service in much the same way the rails did a few years back (Mid-West Coach serving towns on Highway 60 just had another cut-back early in 1972). They are scheduling more express buses, by passing the smaller towns, an action that indicates closing down of small town bus depots is soon to follow to save money.

The bus companies maintain that serving the smaller towns is unprofitable. This may be, and again there may be an answer to a dual problem by utilizing buses more for the carrying of mail. With both buses, trucks, and planes carrying mail, small towns might then expect to receive several mail deliveries daily through the intelligent use of all these methods of transportation. All that may be needed to accomplish this is a willingness to break from the chains of tradition

Many, if not most, of our leaders and legislators are expressing increased concern about rural out-migration and the geometrically increasing problems of the cities. We most whole-heartedly agree that this situation is a question that deserves the highest of priorities and say flatly that a transportation policy which makes possible the rapid flow of people and goods and which places urban and rural people on a more equal basis is a major way of coming up with solutions to this problem.

I would, at this time, like to acknowledge that many of the ideas incorporated in this presentation, were presented by Mr. Lew Hudson, Regional Editor of "The Worthington Daily Globe" at the "Crisis in the Cornbelt" meeting held in Worthington on January 18, 1972, and thank you.

COMMENTS:

GOV. RAY

Thank you very much. I would like to tell you I think that's not only a scholarly presentation but it's a very practical presentation. You have given us perhaps one of the best arguments I have heard why w

need a Department of Transportation in the State of Iowa.

COUNCIL MEMBER

It seems to me that in order to develop a transportation policy that you ask for, and I think we should have one, we have to understand that transportation policy should be a reaction to some broader goals and objectives. Policies to establish a broader social goal projectives. I for one don't happen to think that transportation should be an end of itself or a goal of itself. I think that what we need to do and it always pleases me to hear the Governor as far as the objective of having some State wide goals and objectives. These would be population size, population distribution, economic goals, the kind of state we're going to have. The kind of state we want to have. It seems to me those things have to be defined before we can define a transportation policy because the transportation policy should to help achieve these broader state wide goals. One of the things we have to know for example is, what do we want in terms of population size and distribution. And depending upon the answer to that, would depend on the kind of transportation policy we develop. If we're going to try to stress the continued increase of urban population at the expense of rural that tells us one thing about the kind of urban mass transportation system. If on the other hand it would be a goal of state government to reverse that trend and try to keep people in the small town and rural areas that would tell us something else about the kind of transportation system we need. We'll need a greater emphasis on rural highways for example. My first question to you is do these nine counties in this area have land use plans and zoning. Do you know how many of them do?

LEO CARLSON

I don't know how many of them do. I know that several do. Osceola County does, I think Lyon County. All four in the extreme Northwest corner do and I'm sure that several of the others do.

COUNCIL MEMBER

I think you are to be commended because I don't think that half of them do. And I think this is a prerequisite to good transportation.

COUNCIL MEMBER

Mr. Carlson some of your questions are related to transportation, they get into the area of mass verses private transportation when we're talking about people. Do you think there is any indication that the population at large is willing to sacrifice the convenience of private transportation for the more economical and some times more rapid mode of mass transportation. Obviously this doesn't always apply in a smaller density population area. But, it does however have application.

LEO CARLSON

What mode of transportation are you referring to?

COUNCIL MEMBER

I'll leave that up to you.

LEO CARLSON

I would submit that there is very little hope that any of the common carriers are going to get very much involved in this, the rail-

roads, the buses, the airlines. They have made their own cases and this isn't feasible on an economic basis. I think our only salvation up here is highways. There is a problem with money in any of the methods mentioned. Its a real problem.

COUNCIL MEMBER

I interests me in your comments about raising necessary funds by bonding. It is true that highways in Iowa are wearing out at about 1/3 faster than we are being able to build them because of finances. What are the advantages of bonding. How would you repay the bonds plus interest.

LEO CARLSON

I didn't mean to be getting into retorical questions. I think that what I was trying to say there was that the cost of the bonds right now, the market is not all that bad. And construction costs at least historically have been going up than the amount of the interest that you pay. How you go about paying them back of course is a problem that the legislature will have to address itself to. We're not going to be able to done people on a private bases. I suppose gas tax is one way. You can't make toll ways out of these express ways because that is not feasible and you wouldn't get enough income anyway.

MAURICE TE PASKE

Next presentation by John Cory, Chairman of the Iowa Great Lakes Quality Water Control Commission from Spirit Lake, Dickinson County, Iowa. And of course we are all interested when we hear the Great Lakes becoming dead lakes. This is one thing we do not want to happen to Iowa and our great recreational resources. So I am sure we will listen very carefully to what John Cory has to say about environment.

ENVIRONMENT

By: John Cory
Spirit Lake, Iowa

The topic environment could amount to a million things that we could discuss.

Well, I had to think this morning, I live permanently on West Okibogi; pleased I do, I'm happy. I just got thinking; woke up this morning; looked out at the pretty lake; it's clean, it's clear; ducks were there. Drove through some of the finest agricultural country that exists; pulled into the north of Sioux Center, come by the College and on down. And you know, we are just luckier than anybody in the world for the area where we live. And I think that--we do have problems, we can't sit on our oars, and we got to look ahead and try to avoid maybe problems that we don't know exist.

And everything seems to tie together as you talk on highways or how many people we need; maybe one of our good fortunes here is what we don't have. Maybe we don't want twenty times as many people; maybe we want only twice as many. Maybe some of the things we don't have are going in our direction at the moment. I speak for myself and not for any governmental body or group; I rely strictly on what I've learned and experienced in trying to get a water quality study of the Iowa Great Lakes started in the last two years. The frustrations, yes, and the pleasures, yes, that have been going with it.

I would like to say this on our study up there because I think it applies to everything in our planning for Northwest Iowa for the future, and I think it particularly fits in the environmental area.

First of all, we up there decided that what we needed to do first was to get an assessment of what is the condition of the water quality of the Iowa Great Lakes. What's the condition of it in the year of 1971-72?

Secondly, to identify what sources were in existence, if any, that were contributing to a deterioration of that water quality, or might contribute to a deterioration of that water quality in the future. And then attempt to find ways if practical to reduce those that are contributing to the deterioration at the present time and try to avoid in the future.

And then lastly, and I think this is most important, and would be successful in nearly any of our programs, if we secured an assessment and a bench mark of what our conditions are in Northwest Iowa in this era of 1970--72, at least for some guidelines for the next generation to look back on and to make comparisons and to see what they might do as they go on. I wish we knew what the quality of the water was in the Great Lakes back in ? ?'s days and each ten years since. Maybe it's just the same as it was then, but we don't know that. But we hope that the next generation will have a picture of this one; possibly that will be something that they can go on with as they go forward.

In Northwest Iowa I think, as I said before, we're just real lucky. I think we're in real good shape; I think we have some problems; I think we're going to have more. But I think that currently

we're real fortunate, providing we keep working for the future. You know, it's a lot easier to prevent a fire, and a lot cheaper, than it is to put it out. And I think that right now, environmentally, maybe, in the state, possibly in Northwest Iowa, we're putting out fires that have been in the past, and are environmental problems. Whether it's a sewage problem, or whether it's a fish-kill that comes from sewage, or some other problem, and we're not really looking at some of the minor little things that are going to rear their ugly head as we go along. I think we've got to start some preventive work for the future rather than exclusively for putting out problems that exist this moment. We've got to divide our time a little bit, or this little thing today is going to be the fire to put out ten years from now.

Now in Northwest Iowa, we all know, and this is strictly for the record, it's repetitious, a fifth grader knows it, we've got problems and we're going to have problems on the loss of soil; rich soil. Both from wind erosion and from run-off erosion; we know that we have some air pollution. We know it's been drifting in from Milwaukee and some of those areas at least in the last few years we had it in Spirit Lake; maybe you didn't get it over this far east. We are contributing to that on some of the things we're doing industrial and are burning. We've got to get these landfills somehow worked out to avoid this open burning of the dumps. We've got to quit contributing to the air pollution that exists. I think also that we've got to look at our water quality in our streams, our rivers, and our lakes, and try to avoid its deterioration. And I think that we've also got to look at our underground water. And I think that this possibly is even bigger than some of the other ones as to both its quality and its quantity. We're being a little surprised at what we're finding as being the quality of the water being pumped from the wells in Dickinson county, and I understand there are some things going forward in Sioux county on water. I think we've got some real water problems coming up in Iowa over the next fifteen or twenty years, so we should be assessing at the present time. We've also got to try to continue to provide recreation for people in our area and more people if we have them. I also think that we've got to check very carefully on land use. Whether we need a state land use program or not, I don't know. I'm not smart enough. But I think somebody could be doing some work at the state level and make some decisions and try to make some plans: should we drain more sloughs? should we cut and fill? how much ground can we afford for highways? how much ground can we afford for industry? how much ground do we need for agriculture? what should be our land use? can we afford to cut more trees? I don't know these things, but I think we need land use more than which is more important and past just zoning, which many of us have.

I don't think we can expect 0 soil loss say from erosion, nor do I think we can expect 0 pollution from industry, or just living. Somehow common sense in a good mix has got to work these things out that is compatible with the future. And nature has an amazing ability to recover itself, heal its wounds, if it's given a chance. I think if we just use common sense we can do it. Now, how?

Very quickly: I think that most of the people in Northwest Iowa are really willing to tackle their own problems and accept the responsibility, the first responsibility, at the first level. I think Sioux county, Maurie, and all these people over here are a perfect example of that. I think that if we create our own problems, we've got to strike them from the local effort first. Now if we create problems

for somebody else, down river, say, then it may take a federal or state authority to come in and do a little police work. But when they are our own problems, we are the people who live on the ground, live on the lake, or whatever we do, we are creating the problems and I think that it's our first responsibility to grab the ball and to start to go to work, and not expect the federal or the state agencies to come in and take care of the problem. But, we're all little people, many of us are volunteers, we don't have staffs, and we need help. And the kind of help we need isn't to make twelve phone calls to twelve agencies to find out who is responsible for this. And I agree that I am pleased that we have a complex government, it's the best system that we've got, but I'm not sure it needs to be quite as complex.

And secondly, I also think, and I get a little problems on this one, but sometimes I say I'm awful glad I don't get all the government I pay for. But I think that somehow, and maybe it's through the office of planning and programming, I know the Governor is interested, I know I've talked to half a dozen of the people I've worked with that are sitting at the table, and we got to have some place for us little people to call in and get help, get guidelines, maybe it's a handbook, a "How You Get a Federal Grant", who you see. You wouldn't believe it, I made seven phone calls in the state of Iowa before I could ever find out what a federal order quality river basin pollution control plan was. And we were fortunate to get one, but it's a frustrating fight. When you try to work these plans out, I'm sure everyone has experienced it here, the book you could write after it would have to classify as fiction. It couldn't be fact, of the problems you have to find things.

Somehow, we at the local level, have got to originate the work, but we've got to have the help at a higher level to lead us through. And particularly, and I think this can help, I'd love to have had somebody tell me, "Somebody down in southern Iowa is trying to do the same thing you're doing, somebody in northern Iowa's tried it, get your heads together and maybe you can work it out." We need some help as to how to go forward. And I think that this probably fits into the whole sphere of our discussion today, not only to environmental problems which I've touched on specifically, only so smally. Thank you.

COMMENTS:

GOVERNOR RAY

I would like to make just one quick comment. I think you might support an ombudsman in the state of Iowa. One who will help people in government.

COUNCIL MEMBER

Sometime within this month, well, perhaps in May, the Governor's Rural Policy Council will be publishing a manual for local government officials on how to apply for federal grants and loans for communities for sewer, water, and solid wastes. It's a step by step approach, it tells you what the interest rates are, how to go about the bonding procedures, the legal aspects of the thing, and who the agencies are, who to call in Washington, and who to call in Des Moines. That's one of the most complex governmental undertakings there is. I think that will do a great deal of good, and it's going to be a dynamic book, in that will be a controlled listing and every time there's a change, well over about a six months period, if there's a change in federal law or state law, we'll update it, and send you the corrections. We hope that will help a great deal.

JOHN CORY

Sure would have liked to have had that two years ago.

COUNCIL MEMBER

I want to compliment John on his remarks and also want to compliment him on the job he's done at the Iowa Great Lakes. I've had a few telephone conversations with him from the beginning and he's done a whale of a job.

But, John, I'm wondering, you talked about the environment and soil conservation and so forth and we know this is going to take money, not only for soil conservation, but all environmental programs. And we hear a great cry today from the people that we need to clean up our environment. And those of us associated with this program say, "Fine; it's going to take money." Now, you worked with this long enough, how much do you think the local people are willing to pay for a clean environment? Do they really want it bad enough to pay for it? And this is a problem confronting all of us; it's going to cost huge sums of money.

JOHN CORY

I think to a degree, yes, Bill, and I also think though that there's an awful lot we can do that doesn't cost a lot of money; our big operations, yes, I agree with you. But I think some of our diffuse sources, the scientists call it, problems. I mean the little hundred cattle feedlot is against the thousands, or the barnyards, if we just take that as one source, that many of those through your ASC funds could be handled with very very little expense. And possibly the whole total of their potential on the environment might be 50% of it. And I think a whole bunch of little things can be done, and the big ones--I don't know where the money is coming from.

COUNCIL MEMBER

Well, we've experienced the situation too in the soil conservation program, where we've been cost-sharing funds for terraces, for example, have been very short. But in some of these northwestern counties, and Sioux county is one of them, they've been offering 80% cost sharing, and they've simply run out of funds. A gentleman told me today at lunch, he'd liked to have had terraces placed on his farm, but that they ran out of funds. And this is the situation we're hearing all over the state: we don't have enough money, we're willing to do these conservation practices if there were only funds. This is what we're always confronted with.

JOHN CORY

It's sure a better problem though, that we have farmers wanting to put terraces in, than the funds being for lack of desire. I don't know how much local, I know that our project up there, I got on the phone and I was amazed at the amount of money I raised --approximately \$30,000.00--on phone calls. I just don't know whether people are that interested in doing it.

COUNCIL MEMBER

This is a problem that puzzles a lot of us.

COUNCIL MEMBER

Well, I think part of the problem, if I may mention this, is that we are living in a society of specialists, and many people are working in the area that you're talking about as a specialist and many

time I get frustrated just like you did in the trying to find the person who knows the answer on a particular problem. Let me say one thing; you mentioned land use and a land use policy which I think is terribly important, particularly for those of us in Iowa who have the assets that we have which we must protect. I think you should know that the legislature is studying this on a rather thorough basis right now with the help of the people on the executive level as they look ahead planning on a land use policy. The federal government is likewise very much interested in it today, but as Morton Rogers said, "As much as we want a national land use policy, the fact of the matter is it's going to have to be state by state. And I think that's as it should be; I wouldn't want them to design one for us as well as for Alaska and have us all fit in the same pattern because we won't. But I think you ought to know, I thought you'd be interested in knowing, that the legislature does have this under study right now to try to work out a land use policy for the state. One of the things you mentioned that pertains very directly, is that we have to be concerned with our water supply first, before you can have a land use policy.

COUNCIL MEMBER

Any other questions? John, thank you very much.

AGRICULTURE

By: John Cleveringa
Sioux Center, Iowa

Governor Ray, Honorable Maurie Te Paske, and Council Members, Guests and Friends: He introduced me as pork producer, the mortgage lifter. I didn't do this much mortgage lifting last year and this is my business. We hope that it'll stay better like it is now.

I am 39 years old, I am one of the--I suppose you'd call me a small farmer. I live on 60 acres of land; I produce about 1200 hogs per year. We've been making a living and in 1992 I hope I'm still on the family-type farm if I'm able, raising hogs and making a good living. That in a nutshell is my goal and the topic of Agriculture 1992. I threw a lot of speeches away and maybe this one I should have thrown away too. But I have to say something, so I have something down here.

Agriculture in Northwest Iowa in 1992 can be anything and everything we want it to be. That's a big statement and it won't just happen! Since there is no clergyman scheduled to speak today, please permit me to quote a few applicable thoughts from clergyman Gavin's address at the Crisis in the Cornbelt Conference. I quote, "We tend to use people to develop material resources rather than using material resources to enrich the lives of people. The problem of the pastor is that he lives in a very idealistic world, and has very little understanding of the basic economic facts of our complex, productive society. The layman tends to proceed as though this is a man's world to be managed according to his own economic theories. Both are in error--this is God's world. The rural crisis that faces the nation is due not to a lack of food and fiber, but is due to a break down of meaningful relations between people. It is basically a problem of attitude toward our fellow man," end of quote.

We've just been through the price commission hearing on food prices. The consumer was complaining about high food prices. This was passed from one segment of the industry to the other down to the farmer, each one trying to put the blame on the other.

It looks like we need some good communication and proper attitudes established between the producer, processor, distributor and consumer. I'm sure we'll sell more food that way.

Let's move on to another area of concern--the farm population. Between 1961 and 1971 the number of farms in the nine counties represented here today declined from 17,209 to 13,112 or a loss of 4,097 farms. The number of farm people declined from 67,437 to 53,796 for a loss of 13,641 during this same 10 year period. If the ratio holds true that for every eight farms lost, one business in town closes, that means a loss of 512 business places in this nine county area. These people moved in to crowd the cities and compete there for jobs and create more problems for the cities. As I drove the 2½ miles into town from where I farm I see 4 houses occupied by people who work in town, but have a desire to live in the country.

Will this trend continue at a faster or slower rate? Again it depends largely on the attitude of one towards his fellowman. To slow down this trend it may mean some people deciding they have enough rather than continuing to expand. One farmer remarked, "We need to stop this idea of getting bigger and bigger!" who is going to stop it? We all need to work at it.

I would like to see all our efforts directed at saving the family type farm. It provides a way of life that is fulfilling and enriching. And it has proven to be the most efficient. Output per man hour on farms is 3.3 times greater now than 20 years ago. In 1951 one farm worker supplied 16 people with food, now he produces enough food for 51 people. Record feed grain crops have been produced. Total beef production is 2½ times higher than 20 years ago. Pork, poultry, eggs and dairy products are in plentiful supply. Quality has never been better! Selection has never been greater! Since the price of food has been in the headlines recently let's make some comparisons. In 1972 Americans will spend 15.6% of their take home pay for food compared with 16% last year and with 23% twenty years ago. In the last 20 years farmers prices for food have gone up 6%, while consumers food prices at the store have gone up 43%! Meanwhile, the farmers share of the consumers food dollar has shrunk from 49 cents to 38 cents. We haven't been able to communicate this to the consumer. This is a story that needs telling.

The future of farming depends on the individual farmer telling his story like it really is. A start was made when a group of farmers, businessmen and Mayors from Sioux County flew to Washington D.C. to tell their story on meat prices. As a result four people were called back to testify before the food price commission. A group of Northwest Iowans united to form the Northwest Iowa Coalition of Farmers and Businessmen to send these men to Washington. Will it continue? It's up to us!

There are problems to be solved. The average age of the Iowa farmer is 58 years and rising. His average investment in land, machinery, buildings, crops and livestock is \$131,000. Who is going to replace him? Will a young farmer who has all the other qualifications be denied the opportunity because of lack of capital? Every community is tempting industry to come in through various means. Are our community leaders forgetting about the basic industry of agriculture?

It takes good roads for the farmer to get goods and services to his farm and his products to town. County roads need adequate financing.

Property taxes represent a major cost to the farmer. Over the past 3 years the taxes levied on agricultural land and buildings have increased 43.4 percent. Taxes on buildings of landlords are a detriment to him because he can receive the same rent for his land without buildings. Since only 52.8 percent of the land is owned by operators this tends to reduce the number of farms. What can be done about it? Possibly some exemptions on buildings used for production of livestock.

Livestock production is heavy in Northwest Iowa. This requires more labor and we'll keep more farmers in Iowa. So promotion of livestock will benefit this area.

What will agriculture be like in 1992? It depends on how we solve the problems we encounter. We can solve them if we cooperate, work, make some sacrifices and help one another. Agriculture is like a family. It has a number of members. If all work together, progress is made. If not--problems arise!

COMMENTS

COUNCIL MEMBER

John, there's one comment I'd like to make; this isn't a question. You touched on the meat prices--the high price of red meat. And the consumer says it's really tough on the consumer. I'd like to remind them and I think you would too, that the cheaper meat gets, the tougher it gets!

COUNCIL MEMBER

Can you top that?

COUNCIL MEMBER

No, but I've got a question. You commented in your remarks earlier in reference to noting the, let's say three homes you pass by, you drive past people working in the city. You also commented, of course, and I agree with you fully that the food prices today for the farmer or his ag product is too low very definitely. Until we can resolve this migration off the farms. What is your attitude towards us bringing industry to the community providing opportunity for that farmer. At least maybe he can work part time or part of his family can work part time to be near him and so to supplement the difference.

JOHN CLEVERINGA

There are many farms, I don't know the exact percent but a large percent of the farms in Iowa have off the farm income and this is needed for many of them. Because they do not have either adequate capital to expand or are not able to for some reason or other, unable to expand their own operations so they seek part time employment in town.

COUNCIL MEMBER

Well, do you feel that the community leaders are neglecting agriculture or the farmer to attract industry into the community?

JOHN CLEVERINGA

I am not qualified to say anything on that. I would not say anything. I think they are doing all that is possible. I don't think they are neglecting it. No.

COUNCIL MEMBER

I would like to make a remark. I am not in politics, I am trained in public administration and I have worked all my life in government and political science and so forth. What I am going to say is going to sound political but it's honest and it's really the professional stand point I am talking about. I think we have an outstanding rural policy council here. People from Washington, Jim Smith, head of Farm Home Administration said that when he talks about Rural Coordination he talks about Iowa. So I think the Governor and members of this council have much to be proud of. We're not simply sitting on our hand and talking about the problems; we're doing something about it, we're doing something about the small farm. I am a little emotional about

this: I was raised on a small farm and part of my life in a small community. And what this council is trying to do is bring the two together. Right now I think we have gotten something so exciting going in small farms, that I would really talk about as a cultural revolution. We are changing people's attitudes. Right now I think Governor Ray must be the only Governor in the United States who has his own bill in Congress right now. It's called "The Small Farm Development Act of 1972". It was introduced by Congressman Wiley Mayne about three weeks ago. And this is the result of the Governor's interest in small farms, and it is rather complicated and I won't go into a large scale explanation for it. But one of the things it deals with is research on small farms. The United States Department of Agriculture has 326 million dollars a year available for research. Every 3 years that's a billion dollars. They have more Ph. D.'s and brilliant people there in all our land-grant colleges than you can shake a stick at. And what we're telling these people or asking them to do is instead of doing research on production and increasing the corn per acre and soybeans per acre and more and more production. Let's concentrate on how the small and medium sized farmer can make an adequate living so he doesn't have to be forced off the small farm. These ideas of Gov. Ray have shown up in addition to the other bill, into the Senate Bill. This is the Senate bill introduced by the Senate Agriculture Committee. This is Senate Bill S34-62 introduced on April 7, and I read from page 142, Section E. This section is on rural development and small farm research and education. Section E says "to expand research of innovative approaches to small farm management and technology and extend the training and technical assistance to small farmers so that they may fully utilize the best available knowledge on sound economic approaches to small farm operations. Section D in 144: Small Farm Extension Research and Development Programs: Small farm extension research and training programs with respect to new approaches to small farms in management, agricultural production techniques, small farm machinery technology, new products, cooperative agricultural marketing and distribution suitable to the economic development of the family-sized farm operations. In addition to that, probably the outstanding farm economic school in the United States, Iowa State is now conducting studies on small farms. How large do we want our farms to be? If all our farms get very large, there'll be no farmers left as an economic base to come into our small towns and go to the churches and go to the grocery stores and go to the schools. And these are the problems that these bills devote themselves and also present credit through your local bank, guaranteed loans. The Governor is too modest to take credit for this, but it's really a break-through and even if the bill doesn't pass, which we think it will, it's setting up a national dialogue on this whole subject. And it's coming from Iowa and this is where it should come from. I'm sorry for getting carried away.

JOHN CLEVERINGA

We thank you very much; I'm very gratified to hear this and thank you for your efforts. I think you should have made the speech instead of me today.

YOUTH OPPORTUNITIES

By: Verlyn De Wit
Sioux Center, Iowa

On behalf of the young people in the area, I would like to thank Gov. Ray and his council for this opportunity to discuss long-range goals in youth opportunities for Northwest Iowa.

Perhaps the best place to start would be with a description of the young people in Northwest Iowa. Young people in many cases have been stereotyped by the unusual. If one thinks of a young person, he visualizes a bare-footed, long-haired radical. We sense a dominant feeling present in the older generation that the young person today is looking for a radical overthrow of the system, and that as soon as the younger generation takes over, society as we know it will vanish. If we are going to properly assess the goals of today's youth and work out a system of long-range plans for our corner of the state, we will have to do away with the afore-mentioned inaccuracies.

I would like to refer you to a recent Harris Survey reported in Life Magazine, January 8, 1971. "What will become of this country when the young generation comes of age and takes over? People who expect a cataclysmic rejection of traditions, mores, and institutions are in for a shock: The young wouldn't overturn society even if they could. Most of them are much too satisfied with it as it is."

In the above-mentioned survey, only 5% of the youth interviewed said that they were radical politically, while 72% were either conservatives or middle-of-the-roaders. The situation doesn't seem to warrant blatant pessimism. Especially in Northwest Iowa, I believe we can look into the future with optimism as far as the moral fiber of our state is concerned. Young people today want essentially the same things their fathers sought, things to plan for, and a sense of fulfillment. Contrary to common belief, the youth of today show a real desire to settle down in one place as evidenced in the survey.

Where then do the opportunities lie for the young people of our state? Preceding generations could always look to agriculture for jobs, but not so for this generation. A young man who starts farming on his own, has become a novelty, if not an impossibility. Land is obviously Iowa's most abundant natural resource. But when our most valuable resources are no longer providing opportunities for the new citizens of a given area, it is easy to see that something is drastically wrong.

The emergency confronting Iowa is reflected by an article in the April 16, 1972 issue of the U.S. News and World Report which stated that in the next 20 years, Iowa would be the fourth slowest growing state in the union. The only states trailing Iowa in this department are West Virginia, Pennsylvania, and Kansas. It is estimated that the United States over all will increase its population by 27% in the next 20 years while in the same period, Iowa's population will increase by only 17%.

The opportunities from the standpoint of agriculture look rather bleak. Keeping farms small and insuring the farmers fair prices would be the idealistic solution to our problem. But if we are to be realistic, we will have to look somewhere else for youth opportunity. This is indeed a tragic thing.

Before leaving the subject of agriculture, we should probably say a word about the marketing of farm products. Often, produce leaves the state of Iowa in an unprocessed condition. The processing and marketing of these items could be done just as efficiently in Iowa as in any other state. We would also have a geographical advantage in that we will have to pay less freight than a processor in the East. We feel that the processing and marketing of Iowa's produce could be seen as an opportunity for the future. We could probably think in terms of producing products from the time the farmer raises raw material to the time it is packaged and ready for sale. The whole sphere of the marketing of farm produce can be seen as a field with many opportunities for the future. We have the potentials here in Northwest Iowa and in other sections of the state, let's use it!

When one thinks of economic growth, big business or big industry often comes to mind. Often the belief is held that if a town or community or area can attract industry, the bigger the better, most of its economic difficulties will be over. Big industry certainly does draw in more people and provide jobs. But if a closer look is taken at big industry, we feel that as far as Northwest Iowa is concerned, the disadvantages out-weigh the benefits.

When big industry moves in, problems associated with it also move in. With the introduction of big industry, we can look for more pollution, bigger cities with more slums, and an increase in crime. This might seem far-fetched, but we must remember that we are talking about 20 year goals, and no one can over-estimate what might be taking place in 20 years. The type of life big industry would afford its workers is not the type of opportunity Northwest Iowa youths are looking for. The assembly line worker loses his individuality and becomes a mere statistic. The assembly line job is a job - not an opportunity.

What type of industry should we look for then? The Harris Survey quoted earlier in this report asked the American youth what they look for in a job. The four most frequently mentioned, in order of their precedence, were: Enjoyable work, pride in the job, pleasant working conditions, and creative satisfaction. The survey also showed that there was a definite preference for being self-employed or working for a small firm rather than a large firm. The youth in Northwest Iowa, many of which have been raised on the small farm, are looking for this type of personal satisfaction in their future employment, and won't be satisfied with a rank and file job. Young people want to be their own bosses; they want a feeling of independence and self-respect in their lives and in their jobs. Big industry simply won't meet the demands of Northwest Iowa's young people.

One of Iowa's strong points is education. The youth of our state have always had the opportunity of obtaining one of the best educations our culture affords. This caliber of education should be maintained for future generations also. In Northwest Iowa, this of course takes on a special slant. There is a large concentration of parochial schools in the area. Virtually, every town has its own church-supported school

which stands as a tribute to the state and the people of that community. As of late, we have seen the parochial institution come under attack. If it fails, it will not only cost the state tens of millions of dollars annually, but will also inflict a crippling wound to the ideals of the young people of this area. Parochial schools are basic in the consideration of youth opportunity. We need our parochial schools just as much as we need our jobs. Speaking as a member of the younger generation, I would say that my childrens education in the way I see fit is not merely an opportunity, but a necessity.

In summary, I would say that youth opportunity for Northwest Iowa in the next 20 years means maintaining the same desirable style of living which we have grown to love. Life free from the congestion and rat-race of the city, the type of life style which allows a man to develop himself to his full potential. Northwest Iowa must, at all costs, preserve its distinctiveness. We have no reason to look with envy at the big city with its multitudes of people, machinery, and misery. There is no real merit in being the fastest-growing state in the country in this era of ecological concern. But there is merit in providing a fresh, clean place to live and work as a man sees fit. May we rely on God to help us toward that goal.

COMMENTS:

Thank you very much for an enlightening presentation, and very well delivered, I must say.

GOVERNOR RAY

Verlyn, I wish I had written the speech--tremendous. You make my work more difficult in trying to define big industry and small industry. I would like the advantage of working with you in counseling with you in that area. The concern I have, I'm hoping maybe you can answer this for me; let's take industry that does not pollute our environment, because we find that most industry today that are potential polluters of the environment have a system or are developing systems that prevent that from happening or form a new plant installation. But a large manufacturer coming into an area who does not bring people into the area is finding that very few outside of the operational and management and if they can find management they'd like to have it out of the area. Most of the people live right here that would work in that plant. Do you feel that is a good condition?

VERLYN DE WIT

Yes, I do, very good. This survey I was talking about too, with pollution said that the cross-section of youth: 70% of youth said that they would not work for an industry that caused substantial pollution. If you can bring industry in and use the people of the area, well, there's going to be a better feeling of good will there too. I mean, what really is the benefit of bringing in industry and bringing in workers? It really doesn't benefit the area.

CHAD WYMER

Well, I think this is an example; I don't know whether or not I should be bringing it out. In my two and one half years on the commission the companies that have been announced with employment of 5 to 800 at the largest. I don't know of one that will bring in over I don't believe, over 30 people; at the max maybe 40 people.

COUNCIL MEMBER

I think perhaps Chad two of the last ones that we've had a hand in that announced they were coming to Iowa will employ three to five hundred. One three hundred, and one five hundred. And one of them plans to bring in just three people and the other one between fifteen and eighteen people. All the other jobs will be for local people and one reason they are coming here is not only because we're centrally located or close to highways and raw materials but the big reason was that the people we have here are people who want to work, and so we're very attractive for that kind of company. These companies I might add are not going to be polluters, and one of the first things that we tell executives that come into our state to talk to us about possibly locating here is that if that have any idea that they might be able to come into our state and pollute, we don't even want to talk to them; we don't even want to discuss it with them. And the good companies, they know immediately that whenever they build a plant they're going to have to prevent pollution because just as you pointed out and it's not just young people; it's most of our people today, are not going to tolerate it, nor should they. So I think it's wise, and I'm glad Chad brought it up, that we talk about it: what kind of industrial growth do we want? Some people, when you mention industrial growth immediately think of a great big factory with the big smokestacks and the assembly line and the no future and the no plans and being a poor corporate citizen. We're talking about the kind of industry that will be a good citizen, that will promote the community and be a part of it. You make a good point, and I think it's wise for you to make it because I think we should always keep that in mind. That is our goal. A lot of times of course we don't get just what we invite in; we're happy to get certain things. But I've run into it and Chad's run into it where some communities get so thirsty for a new industry they'll take anything, and they cannot understand why we will not help. I found this true just a couple weeks ago when I vetoed a bill. There are advantages, you see, of promoting a certain industry. But there are also disadvantages. And when the disadvantages outweigh the advantages then we cannot be a part of it. And I think basically that's what you're telling us too.

VERLYN DE WIT
That's right.

COUNCIL MEMBER

If we could work together with a group of you people from the colleges in the area, sit down and get your ideas and what your thoughts are, it might help us a lot too. I'll follow you out and try to get a hold of you.

VERLYN DE WIT
Okay.

COUNCIL MEMBER

I might speak for the legislators now as well as myself. We're not lowering the voting age and the full adult rights for younger people just to be doing it. We actually expect young people to take an active role now. What this really is, is a responsibility bill. It's going to give responsibility to younger people. Responsible for your contracts, for any acts of crime, or your behavior. So we're very serious, Chad is very serious, I'm sure, when he invites you to work with him on the various points that you make here today.

MAURICE TE PASKE

I'm very proud of you on the local here, and I've been waiting for somebody to say it, but since it hasn't been said, I just want to make it for the record here that whether we're in reference to plural system of education which you mentioned so gently and thoughtfully, that from the amanas right down through to the tuition grant program which I've already mentioned earlier, Bob Ray had demonstrated his significant support and interest in the plural system of education and I'm sure that people who speak as you do should be constantly aware of this.

VERLYN DE WIT

We appreciate that.

PROBLEMS OF THE AGING

By: Chester C. Benson
Cherokee, Iowa

The Honorable Governor Robert D. Ray, members of the Governor's Rural Policy Council, Mr. Chairman and ladies and gentlemen.

It has only been in recent years that society has been aware of some of the problems or concerns of the elderly, which have developed as a result of social economic changes and a change in family patterns. In past years it was considered a responsibility of the family to care for their parents and aging relatives, however, inadequate this care might have been in some cases.

With the development and expansion of job opportunities and changing social and economic attitudes, the elderly no longer look to their families for social and economic support. This coupled with the increase in life span, means more years after retirement that this age group have to look forward to, without any general plan or direction toward their retirement.

In the two plus years I have worked with the elderly in rural northwest Iowa several problems or concerns are evident.

On retirement, many of this age group find themselves on a much lower income level, and an eventual lower standard of living, in fact a number of the elderly find themselves in the poverty level for the first time in their lives. The large percentage of the elderly are living on a fixed income and inflation has probably effected this age group more than any other segment of our society, through greatly increased costs of hospital and medical care, increase in taxes, rent, home maintenance and general living conditions. They just do not have enough dollars to go around.

Another concern of this age group is their general health conditions. Most of them are on some kind of medication or drugs prescribe by their physician. The cause of these health conditions are many fold it may be from general body deterioration, or mental stress, or all too often, from nutrition. Many of the elderly live alone and it is neither interesting or appetizing for them to prepare a balanced meal and set down and eat alone. Thus the toast and coffee diet becomes an easy out. Many nursing home operators report that many elderly referred to their home, is due to malnutrition.

Also, in the health area, we find many of the lower income elderly without sufficient insurance to take care of costs that medicare does not cover. If these people have any extended hospital confinement or medical cost it will soon eat up any savings they may have. This may cause a mental strain and delay a normal recovery.

Upon retirement many elderly are dropped from an active economic and social life to one of inactivity and little social status. A feeling of lonesomeness develops, a feeling of not being needed or wanted. There are few goals ahead, except to maintain what little status they may feel they have. They hesitate putting demands on society because of fear of being termed on relief roles. They have little drive to more than living out their remaining years as best they can.

Another problem facing the medium to low income group is adequate housing. They can not afford to live in higher rent areas, so are forced to seek lower rent dwelling which often means stairs to climb, to second and third floor units. Along with these units is often poor lighting, little ventilation and often inadequate heating. Those that do own their home may soon find they physically are unable to do the work in repairing and upkeep necessary to maintain their home. They can not afford to hire the work done along with taxes and other maintenance costs, thus the property becomes run down and deteriorates in value. Here again we see the lack of income lowering their living standards. This situation is quite prevalent in our small community centers, where we find a great number of women living alone.

Another condition we find very prevalent in our small rural communities is any adequate transportation for the elderly to get to their doctor, hospital or shopping center. Many of the elderly do not own a car and would not consider driving it if they did. Few of these communities have any public transportation system, thus the elderly have to depend on their neighbors to get where they would like to go, or forget it and stay at home. Although, the neighbors may be willing to help, they are usually younger people and have a busy life of their own, and the elderly person feels they are imposing and hesitates to ask for transportation. This situation we find more prevalent with the women than the men. In either situation it prevents the elderly from taking any active part in community life outside their small center.

After retirement from their life time occupation, many elderly are very capable, both physically and mentally, to continue working in somewhat reduced capacity. It would enhance their mental status and improve their economic situation to have some type of work in their early retirement years. Most rural communities offer few if any job opportunities for the elderly, which in some cases might mean some retraining.

I have listed some of the problems or concerns of the elderly in rural northwest Iowa, which includes approximately one out of every eighth person in Iowa. However, in many of our small rural communities this percentage increases to one out of every fourth or fifth person. In this situation the concerns of the elderly becomes much more noticeable.

The concerns mentioned are with us and will be problems of the aging for many years ahead. Coordinated programs are needed to pull together the various service program and the elderly needing service to insure adequate income, improved nutrition, create adequate shelter at a cost they can meet. Create leisure time activities and volunteer opportunities for the retired.

COMMENTS:

COUNCIL MEMBER

Mr. Benson, I'm wondering of the various problems that you have mentioned, which you would rank in your area as perhaps the first and second most pressing problems?

MR. BENSON

I think the problem is, when you start one, another one comes into the picture and they kind of enhance one another. I will say that there are some easier to start. For instance, the food program, mobile

meals, meals on wheels, whatever you have, this is starting in some centers in a small way only for the people who are handicapped and cannot get out. This is not too difficult and it's one you get community support on very definitely. Certainly a meals program to enhance the nutrition of the elderly is important. If you don't believe so, go to these homes about mealtime, drop in, and see what they're eating. I'd say housing is very difficult; it would improve considerably if we could develop it. Boy, that's a different program: involves a lot of groups; it's needed, sure.

COUNCIL MEMBER

Mr. Benson, is attitude a major problem with the elderly with whom you work? And I have specifically in mind the great service that elderly people can perform particularly when they retire at a relatively young age in comparison with their health, or putting it another way, their health is so much better at 60 or 65 today at retirement age. They have a great capability of performing valuable services with their experience, background, and knowledge, and yet I find that many of them are very frustrated because they don't have a place to put it to work. Now that's what I'm really talking about when I talk about attitude and is there something that we might be able to do to develop that and use it and use their services as we look ahead twenty years in the future?

MR. BENSON

I think one of the problems is this chronological age for retirement. A lot of people at sixty-five are much more capable than some are at fifty. And yet our retirement policy is determined by age. I had to retire a little over two years ago. I'm glad I did, because the work I was doing was a little bit pressing, but I was never so lonesome in my life as I was when I retired because I couldn't, didn't have any office to go to every day. And it was a little while before I got into it. I think this is very frustrating and think it's too bad we can't do something about it. Because these people have a lot to offer to society. I don't know how it's going to be done because maybe you're keeping some younger people out of a job, this is a possibility. But I do think a lot of these older people... But there's no question the community we have to change this attitude a little bit and communicate.

COUNCIL MEMBER

I know, having been up to Sioux City talking to a group called "Score" who are those who have had business experience and have been willing to voluntarily help other people in business who are struggling to get along and make their businesses succeed. These people I found just delighted with what they were doing; they had something to contribute, and they were offering their services and they were very active. It kept them in a good spirit of mind, a good framework of mind, and it is this type of activity that interests me if we can develop more programs where these people can really contribute something. Some of them now are not so pressed financially as they used to be, now that segregates that group because what you said about the elderly in general is very true. They've worked a lifetime for retirement and no longer can they afford to retire because their pension is so small and inflation is just eating it up.

COUNCIL MEMBER

First of all, just a comment relative to that really very much wasted resource, of elderly people or people who are at age 65 who are very competent individuals, able to do an excellent job and all of a sudden because they become 65 or a certain age, whatever it might be, they're not able to do it anymore which is really nonsense. I really think it's a very much wasted resource. Another thing I wanted to ask you about is transportation. That's really a problem, not only in rural areas, but in urban communities. It's a nation-wide problem. Transportation totally and transportation for older people particularly. Are you going to come through as a "messiah" and help us out and tell us what this is?

MR. BENSON

There's no question about it; I don't think it's as noticeable in the little larger cities, maybe it is, maybe we aren't that well acquainted. I'm thinking of these small communities of under a thousand population, in which you find a very high percentage of the elderly. Those people can't go anyplace; there's no doctor, there's no hospital, there's not even a decent grocery store. They can't do anything. And we have a lot of them in Northwest Iowa and I'm sure other parts of Iowa. This is what we need to work toward. I hope we're after it. We have several groups working on it; it's a problem which we're going to help them.

COUNCIL MEMBER

There are some things being done in this area and it's unfortunate I think that they're being directed more toward the urban communities, but I would point out to you that the problem exists there too, because for instance in Des Moines it's fifty cents to ride the bus now and so it's a dollar for the round trip and that goes back to the income maintenance aspect, just the income involved. You know, in Iowa about a hundred thousand people who are over age 65 have less than a hundred dollars a month to live on. That's a pretty sad thing.

MR. BENSON

Just the other day I heard of a woman, she gets ninety-five dollars a month. She's paying fifty-five for rent. I don't know how she lives, but she's existing. We have too many of those.

COUNCIL MEMBER

I wish we had more time because I find it a very interesting subject. And I think we can help to solve it.

COUNCIL MEMBER

It isn't a real expensive program compared to some of the others, but we do need to get together.

By: Kieth Jewett
Sioux City, Iowa

First of all, I'd like to call the attention to George on the Director of the Board of the American Indian Center in Sioux City. He was supposed to be here, but apparently got hung up on the road conditions getting over here!

I don't mind telling you that this is kind of a surprise for me and, but, I had a flat tire the other day and I had to go--it was the middle of the night and I live on a ranch--I had to walk three miles to get a jack because I didn't have one. So I walked the first mile and I was very hesitant because I knew that I'd have to wake that guy up in the middle of the night to ask for the jack, and I was kind of apprehensive about it, needless to say. I walked the first mile and I said You know, that guy is going to get pretty angry me coming this late at night and at this time. And so I was going to turn back, but my wife and my little girl were in the car so then I knew I had to go on. I walked the next mile and my steps were getting a little bit drudgery and I didn't feel very good because I knew that he was going to wake up and have to holler at me; that's what I thought, you know. But anyway, I got within a hundred feet of the house and I finally said to myself, Well, I know he's going to be mad, but I still had my wife and kid in the car, so I went up and knocked on the door, I looked around, the guy opened the door, and I said, "I don't want your damn jack, and I ran away!

The reason that I told this little story, was that I think in the process of looking at the tremendous amount of influence that's here today, I see something basically lacking. I don't know how I should say this, but I think that probably in the state you have some poor people. I think that probably in the state of Iowa there are people who are just like me, afraid to knock on the door because they don't know who to come to and where they're at and what can be done. I think this Council has a significant name, I think what we've heard today as far as the testimonies has been dynamic, and very real. And it's for the good, of course, of the good. But in the process I feel that we've overlooked the real testimony from some of the state's poor people, and as an employee of Woodbury County Community Action Program I don't mind telling you that we are speaking in a sense for that government of the poor. I come from a rural area, South Dakota, there's ten of us in our family, and I know what it's like to come to somebody with a tie and a coat and try to ask him for help. I don't know anything about FHA or banking although I have some interests somewhere along the line. I don't know if I can do this, and there are a lot of people I think that we're forgetting and the Governor, Robert Ray, is the holder of the many mocassins of war, that's kind of true, or something like this, isn't it?

I think he's recognized to have shown an interest in the little income Indian, but there's also the low income Black and just the low income. I didn't see any testimony here on that, and right now I don't have anything to present here, but don't forget them. They need the assistance and they need your kind of expertise. I am suggesting possibly in order for the low income Indian community and possibly the Black, that maybe it's possible that maybe the Governor by Executive order should develop and set up an Indian Commission as

is happening right now in South Dakota or in Nebraska so that he may know first-hand the problems of the Indian Community and extend that need to low income communities as well.

I hope I did George some justice, and I thank you very much.

COMMENTS:

COUNCIL MEMBER

I think your comments were well-taken, and I think it is wise for us to hear from lots of people with lots of problems. We had someone on the panel that I think might fit the category you're talking about at our previous hearing, and I think that maybe with your experience and with your contacts that we would like to consider that you are representing some of those people that should be represented and who might not willingly walk into this room and say "Let me talk to you." And we need to make more effort to hear those people. Your point is well taken. Are there any comments you'd like to make?

COUNCIL MEMBER

Governor, this whole council that you formed, I think its entire policy is to improve the economy of the state; and throughout the state--it's not just rural areas, because when you look at Des Moines, you say it's really rural area. It's to provide opportunity for more and more people, and I think that's one thing we ought to be sure the Council came for, that's what we're here for. I know my job is to provide jobs for those people who have an opportunity to work if they wish.

COUNCIL MEMBER

I don't think Keith is suggesting that we don't have an abundance of programs and we don't have a lot of plans or a lot of projects going for a lot of people. I'm sure he recognizes we do. The point is that we're here today to listen to the people who either work with the programs to see how they can be improved, or those who can be recipients of the program who can tell us what it's actually like to be on the other end. And we need to look for that, we need your influence as a matter of fact, because you're obviously an articulate spokesman for people that you work with and we're very pleased that you're here today.

HEALTH

By: John Leavitt
Marcus, Iowa
Dr. Glenn Van Roekel,
M.D.
LeMars, Iowa

Governor Ray, Conference Members and Guests:

Before I talk about long range health planning, I would like to go back in past history of our community. We had two doctors in our community for most of the time until 1961 making very good livings. One decided to move to a county seat town where there was a hospital, the other doctor was ready to retire in a few years. The community financed and built a two doctor clinic with the cooperation of the remaining doctor and using plans and specifications furnished by Sears Roebuck Foundation. Before the building was completed, we obtained a G. P. He stayed for a period of two years and moved to another county seat town that was building a new hospital. The local medical board tried to get a doctor through the following means:

1. Contact medical schools in Iowa and adjoining states.
2. Contacted doctors by letter and telephone from list obtained from Sears Roebuck Foundation, AMA, and Iowa Medical Society.
3. Took trips to hospitals and talked to interns about practicing in Marcus.
4. Made contacts with practicing doctors through medical equipment and drug salesmen who knew they were dissatisfied with areas they were now serving.
5. Took ads in medical journals in United States and Canada.
6. Leads from newspaper articles and local citizens.

After approximately one year and no results from the above methods in one of our monthly telephone conversations with Norman Davis, director of Sears Roebuck Foundation, we stated there must be some other means of securing a doctor that might be successful. He agreed to send out a News Letter that would blanket the entire United States. From this we had approximately six prospects. We finally secured another doctor who had been located on a small island off the coast of Maine. He stayed for six months before someone offered him a better deal. Since that time the building has been vacant except for very recently we have the services of a doctor from a town twenty miles away two afternoons a week. In 1965 when I was first elected to the local medical board, we had more good leads in a month than we now have in a year. In the December issue of Medical World News, there was an article on the failure of the Sears Roebuck Foundation and AMA plan to secure doctors for small towns. After 14 years of this program, there were 162 medical centers built with Foundation assistance and 51 remain empty as of December of last year; and 7 of them weren't able to get any doctors at all. The vacancy rate for the last four years was running 40 percent. As President Nixon would say, "I would like to make this perfectly clear", the situation that we have locally is not an isolated one but rather extremely common.

What should we do about this when it comes to long range health care planning?

1. Proper attitude by medical staff at Iowa City. We have contacted these people and they have never had the courtesy to reply to any correspondence. It would appear to me that they have little concern for people in rural areas. I think Iowa City feels it is more efficient for 4000 people to drive twenty miles to a doctor than to put one in their midst. This I cannot buy.
2. The people going to medical schools in Iowa should be retained in Iowa. It doesn't do much good to increase medical school capacity when 70 to 80 percent of graduating students leave the state. With taxes paying 80 percent of the cost the taxpayer is not getting a fair shake. I think there are several programs that could be worked out that all graduating doctors would voluntarily remain in Iowa.
3. Increase the number of internships and residencies in Iowa. It is my understanding that a large percent of people in these programs remain in the area where they intern and have residencies. I am not too familiar with other areas of the state but I am very familiar with Sioux City and would think with the tremendous facilities and medical staff that they have that they could and should have these programs. There are probably other areas in the state that could do likewise.

I hope that the people here today will take the proper attitude and initiate programs that will give medical manpower to rural Iowans.

Thank you.

COMMENTS:

COUNCIL MEMBER

The point you make is certainly an interesting one and one that we're greatly concerned with. It is of great concern, and there are some things that are being done, but they never happen quickly enough, and there are probably never enough.

JOHN LEAVITT

Well, we've got an awful lag, and when I go through the country, and I come through these rural areas, and see town after town that have had two doctors and made a very good living, and communities like the one with two nursing homes which have both had to be disbanded because we have no medical manpower. It does effect an awful lot of people and it doesn't seem like there's near the concern, frankly, Governor, as there should be. There's a lot of talk, but not much do.

GOVERNOR RAY

Well, I think there's tremendous concern. I think that's the reason you saw the legislature provide funds for a private school to boost the osteopath physicians so that we could do the very thing you're talking about. Remember that you don't force people into jobs in any location. You don't force doctors or lawyers or school people

or administrators into a position no matter how much it would be nice to do it. It's like industrial development--you don't force a company to come to rural Iowa or any place in Iowa if they don't want to come.

JOHN LEAVITT

No, but I think that with the younger people that want to get into our medical school, and the people that are admitted, it would make more sense to me to admit some of the people that would want to practice medicine in Iowa. I know people personally that have never had the opportunity to get in, even though they are good students. Now we're paying the bill, now let's get some of the rest of it, see.

GOVERNOR RAY

Yes, many of those are not willing to stay either, but again, let me say that we now have a family practice department which we didn't have in the past, we now have many more hospitals where our doctors can intern, and I think the attitude has changed considerably; I would agree with you that it isn't happening fast enough and it's not happening fast enough to satisfy me, but we have done something about it, and I think it's for the better. I really should refer to Maurie Te Paske; I heard him expound on this subject many times. And I think as a result of what he's done, things are developing and happening. I appreciate your remarks very much.

Governor Ray, Members of the Council, Ladies and Gentlemen:

John has discussed some of the aspects of the medical manpower shortage in the area. I'd like to discuss some of the aspects involving future health care delivery for the small communities of Northwest Iowa.

I'm a radiologist and I happen to practice in three hospitals in small communities in Northwest Iowa and I really enjoy it, but I feel that we have to make some changes in the medical care for this area.

Out patient health care services offered by community and county hospitals will have to be expanded. With the Federal Government financing a greater share of the health costs every year and the possibility of Federally financed National Health Insurance being very good, the Federal Government is going to place more control and regulations on how health services are utilized. This will mean more out patient diagnostic work-ups and more out patient treatments. Thus the out patient departments, which include: laboratory, X-ray, emergency and physical therapy, will have to be adequately staffed and equipped.

Because of the rising cost of the health care service and because of the decreasing hospital inpatient census, many hospitals may have to close their doors, if they do not find some way to decrease their costs. I feel some of the hospitals in close proximity of each other could cut costs by not duplicating some of their plant operations. For example, I feel there could be one purchasing agent, one director of nurses, one inservice educator, one hospital administrator, and one set of office personnel and equipment for two or three small hospitals. Two or three hospitals could hire a full time hospital pharmacist. The hospitals could offer more specialized, sophisticated medical services, if only one of the hospitals would specialize in a certain service.

I feel a well organized, staffed, and utilized ambulance service for the area is a necessity. I would like to picture the ambulance staff to take care of the most medical emergencies. This would give a much needed service for those communities and rural areas who do not have a doctor.

COMMENTS:

COUNCIL MEMBER

Maybe you could give us an opinion on health maintenance organizations. Is this a possibility for the future?

DR. VAN ROEKEL

This is being set up presently in the state of Iowa; it's not gotten off the ground. Health maintenance organization is something like the, for people who do not know, is something like a Kaizer Permenente Program--people contract for their medical care. They pay so much per year and they get all the medical care they need. Now this organization is set up in Iowa but I don't think they have contracted any medical care yet.

COUNCIL MEMBER

As a matter of fact the legislation didn't pass, but it's a matter where the argument at least is that it might help people prevent some illnesses that would also reduce some of the problem of having a person, like a doctor, readily available to them. Does this hold out some promise--not to recognize all the problems--I recognize that.

DR. VAN ROEKEL

Well, I've been reading some literature on this, and I don't think it's meant to be any preventive type measure. Most preventive measures that we have used are not really successful and are very expensive. Maybe they can develop some new ideas, but I think preventive measures are difficult to come by.

COUNCIL MEMBER

You know, you relate to this decreasing hospital census, isn't that more of a fluctuating thing? I don't mean it's annual thing, now, I understand that. But the census is down, has been for the last year or so, but do you see that as a continuing thing?

DR. VAN ROEKEL

Yes I do.

COUNCIL MEMBER

In 1965 when the Titles 18 and 19 amendments to the Social Security Act, Medicare and Medicaid were being passed, there was a great deal of fervor over this because of the probability that the hospitals would be so deluged with patients they wouldn't be able to take care of them at all. What happened? It seems, you know, that that's still all going on.

DR. VAN ROEKEL

I really can't answer that. I know that in this area our in-patient hospital care is decreasing; the number of days of hospital care is decreasing every year. Three or four years ago the average stay was about 10 days and now it's down to six to seven. I think this is due to the fact that we're getting more efficient and we're doing a better job of diagnosing the problem and treating them.

COUNCIL MEMBER

Do you think there is a significant increase in outpatient services being rendered now?--as opposed to inpatients?

DR. VAN ROEKEL

I think so. The reason for this is that a lot of insurance companies do not pay for out patient services, I mean for diagnostic services as an inpatient if nothing is found. So, as a result, instead of going to the hospital and paying extra money they come as an out patient. And also, the availability of specialists in the area also allows more out patient work to be performed. I know in my situation I happen to be a radiologist, and in Sioux Center Community Hospital they averaged about 50 to 75 cases per month, and now we average over 200.

COUNCIL MEMBER

One last question. About 11 years ago when I was working in hospital administration, at that time there was a significant move to do the kind of things you're talking about. The utilization of one purchasing agent, a single hospital administrator for maybe a 350 bed hospital--that sort of thing. The reason it didn't work then, and I have my own feelings about why it didn't work. I wonder what has changed that might make it work now.

DR. VAN ROEKEL

I don't know the reason why it didn't work...

COUNCIL MEMBER

Well, I'll tell you; one of the reasons was simply the local pride in what was happening at a given hospital. We want our own administrator kind of thing.

DR. VAN ROEKEL

Well, I think that we're going to have to have a little change of thinking concerning that aspect. If we don't start changing, we won't have a hospital left, the way I see it. And I think one hospital administrator can easy take care of three 25-50 bed hospitals with no problem at all. And they can save cost by having one purchasing agent who could deal with the drug salesman.

COUNCIL MEMBER

This is very interesting what Doctor is saying and I think it should be pursued a little bit. How do you do this, Doctor, if you don't start at the local level with coordination between the local hospitals? Have your hospitals here been talking about this?

DR. VAN ROEKEL

Well, there has been some preliminary discussion between...

COUNCIL MEMBER

What I mean to say is this is something you don't want done for you in Des Moines, for example, or even worse, in Washington. I think this is one of the points, that you have to start talking to yourselves here. If it will work for you and you can show it will work for you, then you can do it.

DR. VAN ROEKEL

Well, I think Sioux County would be an ideal place to begin; we have five hospitals in this county, which is kind of ridiculous I think.

COUNCIL MEMBER

Is it so preliminary that it might be fair to say you've just started today?

DR. VAN ROEKEL

No, there has been some discussion between two boards that I know of concerning this.

COUNCIL MEMBER

Well, I think what you and John both said is that it's terribly important that we be cognizant of the shortage and perhaps the maldistribution of our doctors and that health care is important to everybody. And I think it was said once "If you have health, you have hope and if you have hope, you have everything." So as we project into the future, I think we're finding that health is absolutely essential for our people regardless of their status in life or their wealth or their age. It's important that we plan for the next twenty years ways in which we can deliver that kind of service.

EDUCATION

By: Robert Hogeveen
Sheldon, Iowa
Lyle Koerper
LeMars, Iowa

Honorable Governor, Members of the Council, and friends of Northwest Iowa:

Mayor Te Paske, you won't like this, but I'm going to have a commercial and invite the Governor and his Council to the Centennial at Sheldon this coming summer if that's alright.

A little bit with tongue in cheek and yet with a little bit of seriousness I would say that I think it was appropriate to have Education listed on the end of the Agenda; I think Mr. Berry thinks even worse about social services. I'd like to first for a couple minutes try to be very, very serious about this whole topic of education. And I think that being serious to the point of being honest about what, as I perceive it, in my opinion of what some of the issues may be. I do think that one of them can be stated, I think somewhat fairly, is that as I see it it's not unusual to have education sort of put at the end of the Agenda. And probably from the standpoint of state leadership, the legislators as many times put off in the areas of thought and concern and application.

Let me say first of all though, in trying to be honest about it and having opportunity many times to work with the state commissions and committees across the nation to some degree. I think it's very fair again to imply that many people who have been raised in their own lives in the cities and the urban centers and the metropolitan centers; when it comes to education, would honestly say to someone like myself that really you know that only good education takes place in the city area. I think we can read many times and we can bills that are being promoted at the federal government or sometimes the state and saying to us that we have a lot of deprived children in rural America. And there are many people in this state that I work with all the time who will say to me not really, but I think honestly, if they really admit it will believe that our children here in Northwest Iowa are deprived when it comes to education.

I think I'd like to make it very clear that I for one don't believe that; I don't believe that at all. I think that the children here in Northwest Iowa are not deprived when it comes to education; I think we can do a lot more than we're doing now. We need assistance and we have some problems to talk about in a second.

First of all then, I'd like to make it very clear that I do not think our educational program in this part of the state or this kind of rural America is a deprived kind of education. I don't think it is because basically we have resources and I think we have three very basic resources that you cannot ignore.

Number one, I think we have the people. I think we have the greatest young people in America here. I think we have the personnel to teach; I think we have highly trained personnel out here. If you were to check the credentials I think of the teachers in this part of the state it's equal to most anywhere. I think we have the facilities.

I think potentially again, if we want to be honest about it, we are going to have more facilities than we know how to use. And I think we have the finance; I think we can properly support education out here in Northwest Iowa. I think the future could be very bright along those lines, and if you doubt that and say it's not true, if you want to look seriously at any financial program that any legislator has promoted in the last number of years, you look and see where the money is going to come from. As long as I've been in education, I've always very strongly supported, and I think anyone would--any educator must--of equal educational opportunities for everybody. But I think in the last few years it's been interesting to see it turned around a little bit and talk about equal taxation in order to support opportunity of education. The same people who will say you know that really the top education takes place in the cities and not in the rural areas are going to come around now and say the rural areas now should really support equal education in the city. It just doesn't make much sense. And because of that I think if we look very seriously at any foundation program, it is this kind of rural land that we have here that's going to try to go back and support in the metropolitan cities to maintain the educational program.

And I think we have a paradox in education here; a most exciting and interesting one. I think we must really look at it very seriously. The paradox is simply that the same people, the same problems in education within the metropolitan center, the reason they do not have facilities, and the reason they cannot get the finance is because of numbers. If you want to be honest about it here in Northwest Iowa, the reason why we have facilities and the reason we have finances, is because we don't have numbers. And I think if we're honest about it what we must really try to work together on, and we need some really gut-level kind of leadership, at the state and the local level, to admit the fact that in the future we better get people out here. You see, educators in Northwest Iowa aren't very secure. We had a report that was given not long ago, in a district that's about the same size as I'm in, about 1500 students, in 18 years they project 780. I can't believe it's going to happen to my community. But then this community is not much difference than mine, I know that. We have a real numbers problem here in education. I think it's a terribly sad thing on that point, because I think we can do such a fine job in this particular area. Along with some other problems, I think we have to face the facts that we in Northwest Iowa it's essential that you give us some leadership and give us some of the laws I guess we need to guarantee some larger units. Educationally or economically I don't believe we can possibly support many of the educational units we are now living with. And again, I think we need the gut-level leadership to come in and simply say they shouldn't exist. Because we can't let them exist and pretend it's good education. There are other reasons for it, but I don't think they are reasons of education or reasons of economics.

And I think perhaps one of the other great things we need is the process of local involvement, trying to figure out what that's going to be in comparison to state control and federal involvement. I don't know, I hate to say local control education because I think it's been lost a long way already. I think though that somehow we must come up how we can maintain serious local involvement in education, realizing what's happening to many of the laws. I understand the state of Iowa just filed a friend of the court brief in regard to the Texas case in regard to financing public education. And I believe we have to be very

serious about this local involvement so we don't lose it; and particularly so we don't lose it all the way to the federal level.

I see some problems then with the need of our sizes, I see some problems with the need of people, and I see some definite need of great leadership, but I also see some great optimism in regard to education for us.

First of all, I think we have an excellent beginning in the area concept. I think we have some outstanding area school concepts being developed here and already are in existence. I think we right now have work going on that's terribly exciting to me about the career learning center concept. I believe for years we've taught our young people and said that the only good life is when you go to college. And now we have a lot of young people coming back with a college degree and saying, "Where's the good life? I can't even get a job." And I think we have to come back and start facing the fact that career education is a thing we must do from kindergarten all the way through post-high school, and we need the area concept to get that job done, and we need your support to support the area concept in area schools, because there are so many things from adult educations to career learning education all the way from kindergarten on through that we simply can't do in individual school districts as they now exist. We need the help of special means, we need the help of school psychologists, we need the help of specialists, and we need the modernization of county school boards and this kind of thing that you've worked hard on before as I know.

I believe we have a great future in education here, and I believe people want to live here, and I think my plea basically from education is that I think we can do our young people, our boys and girls what's really good for them. But basically I think we need your help and your assistance to make it possible for those people to live here so that we can educate them in what we think is as fine a program as anywhere in the country.

Thank you.

COMMENTS:

COUNCIL MEMBER

As educators, I know, I'm one of them, we often feel that we're getting the short end of the stick so to speak as far as governmental services. I don't really believe this is actually true when we look at the amount of money that is being put into education in Iowa at the state level, at the local level with respect to other governmental services. I might be willing to say that in some areas this may not be true, but basically I think it's true. You've done a pretty good job of pointing out what the over-all needs are in this area for education. But I'd be interested in your views as to the role you see the secondary school and the elementary school in this whole area of career education. How it fits into the picture along with the area vocational technical school or community college.

ROBERT HOGEVEEN

I think what we need is a lot of vision, a lot of creativity here; I think we need, for example, K to 6th grade to be very involved in attitudinal development toward the world of work. I think we need to start teaching our young people about the world of work. We need

attitudinal development. And then we get grades 7, 8 and 9 in rural America, in Northwest Iowa. So many, many of our young people don't even realize what the potentials are. And when I look at twenty years in the future, I think the thing I must talk about is potential possibility for Northwest Iowa. Not that we're there...and I want to see seventh, eighth and ninth grade in career education become exposure. Exposure to every possible kind of job there is. Then I think we need the area concept now to assist us in coordinating. If we want to go to larger administrative units or attendance centers, I don't want to get in a debate on that. But we need the area concept to help staff, to get programs and ideas and materials to give this kind of information to them. Basically, educators don't know much about some of these things. We need advisory boards of as many people as we can find to give us assistance, who know what the world of work is all about. Then we get to the area concept and now we talk about the need of various schools to come in to it, and say to us, "Let's provide experience for the hands-on laboratory experiences. Let's have our juniors in high school go through ten or fifteen different laboratory experiences; actually see what work is like in as many different of career occupations as possible. And we can't do that locally; we must do it as an area. And we could find experience points in all different attendance centers in the entire area. Area 4 school that I'm part of for example exists. And we could have young people move through these different experience points, and then maybe by the time they're seniors, they can make a darn good decision about a career. And then we ought to be able to give them skilled training, and there again we can't do it locally; it must be an area concept in my opinion.

COUNCIL MEMBER

Do you think it would be helpful if we had the kind of vocational guidance program in our primary and secondary schools combined with a man power study and planning support back-up which would indicate to these young people particularly in rural communities that if it's important for you to live in your community, if that's one of your choices, if you like to stay here where your parents grew up and so forth rather than moving to Chicago or Kansas City. According to our best estimates, these are the kind of jobs that I think will be around in 1990. We can't do it perfectly, you know. You think that would help?

ROBERT HOGEVEEN

I think it's an excellent help; I think it's even more real though that people move through a life and make changes in occupation or career about five or six times in an average. I think we need a lot more emphasis on the attitude to learn how to learn. The willingness to learn how to learn about new positions. What you say, I think, is very true, and we happen to be in Sheldon part of the nine school districts in the state of Iowa on this program of attitude and development. It's a very exciting concept and I think we're doing what you're saying.

COUNCIL MEMBER

I might drop a bomb shell here--I hope not; my wife is a former teacher and I may have to apologize for this when I get home tonight. Do you think we are getting even 75% efficiency in our educational system at all levels, and can we justify the implant and teacher responsibilities we're getting at the present time? I don't believe we're getting over 75% efficiency on our educational system. Let's

put it that way. Whether it's University of Iowa or where, our year is cut down. At the present time we're having quite a time in West Des Moines. Teachers are telling school boards what they're going to do; if we don't get it, we're going to strike. My personal view is and I say this at the risk of a battle at home, is that I can't see the efficiency in the school system as a whole at any level. And I don't believe the tax payer is getting, really, full benefit out of it. Now I don't mean in this particular area; I'm talking about generally.

ROBERT HOGEVEEN

I think that I'm not really qualified to make that statement back to you, except I'd love to invite you into what I consider a very innovative school system and the one that I work in. I'd like to see you come and look at us for awhile and tell us we're not efficient. I think there needs to be great changes in the traditional system of education; I think there's need to be great changes and I think we're having them happen some places. And I think it's taken place in both the aspect of curriculum individualizing education, and also the efficiency of the economics, and I think I could prove that point to you if we had time.

COUNCIL MEMBER

I want my remarks to remain general because we happen to have a lot of girls--and I'm pin-pointing something now. Just the other day I had occasion to dictate a letter to a gal who had graduated from a commercial school, born and raised on a farm, and I had occasion to write to a commodity group, and I used the term "boars and gilts", pertaining to swine. She came back with it "bores" and "guilts". That's just a minor thing that I am talking about...

ROBERT HOGEVEEN

Well, she was phonetically correct, anyway.

COUNCIL MEMBER

I hate to spoil it--that's a good note to end on. But I think that you're planning for all of us to look at in awareness that we should have about the importance of education which therein lies the answer to many of our future problems as we look ahead. And I might find room to disagree when you talk about the lack of attention that's given to education. I find in my position, working with many people in government, that education and what is done in education, requires a great deal of our time, and we actually devote much of our time to it. The big bulk of costs and revenue is devoted to education, and so I think there is a lot of attention given to it. We take it very seriously, and I think people wherever you go will talk about a superior educational system in the state of Iowa. We spend more than \$900 per pupil; you cannot measure success in dollars alone, but it is some indication of what we're doing. And as I discuss this in the Governor's Conference and I listen to some talk about their payment of \$602 or \$622 per pupil, I realize very quickly that we are spending much more; in fact, a third more than the two states that were talking about what their costs of education were. You cannot really compare, because we would not trade in my opinion. However, I just don't want you to leave thinking that there is not a real sincere desire in the area of education to improve it constantly. I think you were saying what I've heard said here before, that we need population well distributed. It was pointed out to me one time when there was some discussion about how a school, if a school closed and consolidated with

another one, that the town would die. And it was pointed out to me that that's not the way it works. When the town dies, there is no longer a need for the school. So what you're saying to us is that if the schools are to continue to prosper, then you've got to have someone going to those schools. And again it gets back to what we talked about earlier, about the distribution of the population. I'm very impressed with your approach to education. One quick question, if I may ask it: The new school aid plan provides for more state aid going where the pupils are; is that in agreement with your thinking about the financing of education?

ROBERT HOGEVEEN

My work as a high school principal is not as closely involved with the budget as it would be for the superintendent of course, and yet I'm involved with it because I keep getting turned down for my requisition. I think that it's a serious problem to any school obviously that's spending more than it should, and it's an obvious problem to schools that have a decrease in population. But in concept it seem like that's probably not wrong, it maybe ought to be.

COUNCIL MEMBER

It presents a problem...

ROBERT HOGEVEEN

It presents a problem for us. In Northwest Iowa I think it is distinctly a problem. But I think again if I could just say I believe Governor, that what we really need are some real gut-level kind of leadership to pass some bills that's going to force us to make some changes that we know are right--changes about reorganization, for example. Secondly I think I'd like to say that you know I do believe in Iowa and I do believe in education in Iowa, I do believe in your concern; I don't believe every legislator of course has that kind of concern that has been involved in passing legislation. On the other side I think that we don't have the Grand Tetons and Mount Rushmore and we don't have the Grand Canyon; I think it would be a fantastic thing to say that we have the greatest state in education and sell it as a great industrial promotion.

COUNCIL MEMBER

Well, you make a good point, and I think it's something we should emphasize more. I think you could contribute a great amount yourself to those who work in education on the state level. I happened to go through that session where we proposed the foundation plan which I think is consistent with most good educator's thinking on how we should finance education. And if you want to see a picture of guts as they go rolling down the aisle, you might just reflect back on that particular session. But education is like other institutions; it changes very rapidly. Government should be one step ahead; they never are. The church makes changes and always lags some. But I think that with your kind of thinking and with your kind of ability to be persuasive, that you could contribute greatly to our thinking and the thinking of those in education at the state level as we look ahead for the next twenty years. Thank you very much.

---Lyle W. Koerper

My remarks will concern post-secondary school opportunities -- those opportunities offered by area vocational schools and area community colleges, the private colleges, and the various vocational schools for profit. Statistics documenting the services these institutions have and are providing are readily available.

A listing of the institutions would, however, be appropriate -- Dordt College here in Sioux Center; Briar Cliff and Morningside Colleges in Sioux City; Northwestern College, Orange City; Buena Vista College, Storm Lake; Westmar College, LeMars; Hawarden Junior College; Western Iowa Tech Area XII Vocational School, Sioux City; Northwest Iowa Area IV Vocational School, Sheldon; Iowa Lakes Community College Area III with a campus at Emmetsburg and another at Estherville; and Iowa Central Community College Area V with facilities at Fort Dodge, Eagle Grove and Webster City. I have not mentioned the various vocational schools for profit as exist in Spencer, LeMars, and Sioux City.

Perhaps we should make one observation about educational institutions apart from their "educational" nature. Schools and colleges are businesses. They provide payrolls and in most cases support the local economy as student dollars and other funds from outside the area flow into the community.

As we look to the future, we must first place in perspective the widely publicized -- and well documented -- crisis in higher education. Yes, this crisis is real and it reaches into all segments of post-secondary opportunities.

We are to look ahead twenty years. Twenty years ago higher education was also facing a crisis. The post World War II baby boom was creating a tidal wave of students that would soon inundate the colleges. The tidal wave did come. So did the Russian sputnik. The freshmen were matched by funds, faculties and facilities.

The crisis today is different from the one twenty years ago and will not be resolved in the same way. The point is this. Higher education has faced crises before and as we anticipate the future we must look beyond immediate problems.

Before listing goals for higher education 1992, I must comment on several barriers that will need to be removed if our forecasting for the future is to be realistic. The first is the barrier of the sharp distinction we often make between the so-called public and private sectors of higher education. There are few who disagree with the claim that pluralism in higher education serves as a catalyst to improve the quality of the total. It is also true that the institutions operated by privately selected trustees and the institutions managed by boards established by the government all serve the public good. Also, all derive their financial support ultimately from common sources. There are differences and these differences are significant. It would seem, however, that we often make the differences more distinctive than they actually are.

At this point I must speak directly to the question of separation of church and state. Various church groups are actively involved in the support of colleges in Northwest Iowa. Interpretation of the United States Constitution concerning federal support for church relate

institutions is still not clear, but more often than not, the church-state issue is more emotional than real. The separation of church and state raised as an emotional issue is a barrier that should be bridged as we anticipate the future development of higher education.

Another barrier that must be removed is the tendency of many educators to think in narrow and rigid terms concerning the sector of higher education in which they are involved. Those at both public and private institutions can be closed to the real and potential contribution that other types of institutions make.

Equalizing post-secondary school educational opportunity should be our overriding goal as we look to the future. I'm speaking of equalizing educational opportunity for the new high school graduate. Equalizing educational opportunity for the young, the not so young, as well as those who are old and older. Equalizing educational opportunity means providing a broad range of options for all ages including opportunities in technical and vocational fields, the arts and sciences, and the professions.

Equalizing educational opportunity also means providing options for the individual free from restrictions of individual financial condition. This is especially true for the young. The Iowa Tuition Grant Program is based in part on the principle that I am advocating here.

Another goal for higher education 1992 in Northwest Iowa is to achieve a system of cooperation on the part of all units now providing post-secondary education so that the resources of both public and private institutions are used effectively and efficiently. This will require a new level of understanding and trust on the part of citizens government at various levels, as well as among educators. I do not see a need for more institutions, but I see present institutions changing.

The Carnegie Commission on Higher Education estimates that enrollment in higher education might double by the year 2000. The committee recommends establishing 175 to 235 additional community colleges and 80 to 105 additional comprehensive colleges by 1980. How does this affect Northwest Iowa? We are not located in an area where significant population growth is projected. This means that any increased enrollments at the institutions in this area will come from a shift in the age characteristics of those enrolled, or additional numbers of students will come from the major population centers of the country. A greater diversity of students enrolled should be anticipated, and programs will need to be more diverse to meet the needs of the students.

We have characterized higher education by its diversity when in reality the trend has been away from diversity. The prestigious university is the model for most of higher education. Colleges seek to enroll more students to support a program more similar to that of the university. The junior college, even when it offers strong vocational opportunities, tends to build its program so that students can readily transfer to a four-year college or even directly to the major university. Emphasis in the future in Northwest Iowa will need to recognize the need for true diversity in institutions.

I said that Northwest Iowa will not need more institutions, but institutions we have, both public and private, must be willing to change. Probably the private college will need to change most. We are beginning to see growing emphasis placed on vocational and career education. The U. S. Office of Education estimates that only 20 per cent of all jobs available in the decade that we are now in require a bachelor's degree. This underlines the need for career oriented and general studies programs. Even the student in the arts and science college asks, "What job is my education preparing me to do?" The four-year college must look at non-degree programs and expanded non-credit course offerings.

All institutions should serve the growing number of students who will be in the older age groups. The meaning of continuing education will continue to be broadened as individuals continue formal studies to keep pace with career aspirations and as they seek in general to improve the quality of their life.

The four-year colleges in Northwest Iowa will continue to attract to the area from other sections of the country and the world students looking for a baccalaureate degree. In fact, the young people who will be coming to this area will probably be more numerous than in the past and they certainly will be more of a diverse group than they have been.

Our country is in transition from industrial revolution to post-industrial revolution and with this comes an accompanying shift away from traditional middle-class values and goals. Colleges are also being expected to be more involved in the equalizing opportunities for all Americans without regard of race, creed or national origin. For many years educational institutions have brought international students to communities. These programs have been looked on as bridges to international understanding. Obviously we also need bridges to understanding within our own country and educational institutions are more and more being asked to fulfill this role. In rural Iowa we will continue to hear even more frequently than we hear now -- "I don't understand college students of today."

We acknowledged initially that higher education today is facing a crisis. The system will not collapse, but changes are needed. Common goals, cooperation and understanding, the willingness to be flexible. The future will demand the best that all can provide.

COMMENTS

COUNCIL MEMBER

Are the colleges in this area, in your opinion, going to management, business, setting down with them to find out what it is that they need. What type of graduate do they need. Do you just offer them a smorgasbord of various degrees and go it from there? Are you trying to match up the need of the area if the student wants to stay in the area?

LYLE KOERPER

Yes, I think so. And yet I think there can be a lot more done here. For example, the colleges of mid-America which involve all of the four-year colleges which I mentioned here have employed a full time placement director in the office in Sioux City who is working with all of the colleges. And this man's primary task is to do exactly what you suggest; working not only with local business and industry

but other business and industry in terms of what should the relationship be of the classroom and the job. And I think that the work is begun, but we've only scratched the surface.

COUNCIL MEMBER

Are you doing any work in the area at the school to support business and industry in the area?

LYLE KOERPER

The liberal arts college such as we have in this part of the state, has not been initially a research oriented institution. And therefore, basically, no. We have not been involved there. I think that there is some activity possible there, however I don't believe this is the function that the institutions are probably going to be able to do; they're not going to be able to finance it. Now maybe through help they could.

COUNCIL MEMBER

Thank you very much. Let me just give you an aside: When we were in Japan we met a young lady who had come and visited me in my office while she was a student at Briar Cliff. The first thing she said to me was "I can hardly wait to go back to Sioux City." She left here with the impression that this has to be the greatest spot on the face of the earth. It's kind of interesting no matter where you go, even half way around the world, there are people who still understand the great quality of life that there actually is existing in Northwest Iowa today. Thank you very much.

Submitted for the records with approval of Governor Ray, Mr. John L. De Groot, Principal of Western Christian High School at Hull, Iowa, filed the following statement.

EDUCATION

Private and Parochial

Honorable Governor Robert E. Ray, Mr. Maurice TePaske, and Members of the Governors Rural Policy Conference;

On Thursday, April 20, at Dordt College I attended and enjoyed very much the meeting held with you, as Governors and the Members of the Rural Policy Conference. I thought the presentations made were well presented and contained the information that should have gotten before the conference. In one area, that of education, Verlyn De Wit made a reference to non-public education in his report on "the youth", but this was the extent of any reference concerning non-public education. I understand it was supposed to have been presented as part of the education presentation, but failed to be mentioned there at all. Because Private and Parochial Schools do make up a sizeable segment of education in Iowa and particularly in the Northwestern part of our state where we have 18 units with 2,835 students in elementary and secondary schools in our Private Schools alone, we feel it to be absolutely essential that in your education report you have the complete picture before you. (the figures listed show only elementary and secondary schools-not colleges and only regular schools, not schools for special children or the handicapped.) We in Private and Parochial education are very happy about the support we have thus far received particularly from you, Governor Ray, in the form of the tuition grants for college. We think this to be the way aid should come to non-public education - not only higher education but elementary and secondary education as well. We see no constitutional difficulty in extending this aid downward and consider it to be an absolute essential for the ultimate continuance of pluralism in education. It is for these reasons that we bring to you the following "report:

It has been widely accepted that it is the State's duty to educate the youth.

We believe that God has committed to the State the task of maintaining law and order, and of promoting welfare, freedom, safety and justice. Since all of these depend in no small measure on education, it cannot be denied that government should play a role in educating the children. It is the government's prerogative and duty to make education compulsory and to set minimum standards and goals. It is also correct that the state collects taxes from all, whereby education is made possible for all.

At the same time the rights and duties of the parents must be emphasized. Children are not owned by the state, but belong to their parents. Since children are entrusted by God to parents it is therefore the parent's basic freedom and obligation to insist on schools which are in harmony with their convictions. We contest the state's right to determine the basic educational philosophy and moral values of just one school system as the only one to which citizens can send their children without financial penalty. We refer to the United Nations Universal Declaration of Human Rights, Art. 26, where parental rights are safeguarded as follows, "Parents have a prior right to choose the kind of education that shall be given to their children."

The argument is often advanced that the one state-controlled public school system is neutral in its philosophy of education and moral standards and that the government is fully justified in making the one public school system the sole recipient of full taxation benefits.

We contend that education by its very nature can never be conducted on a neutral basis, regardless of the type of school in which it is carried on. Value judgements arise out of the teaching, counselling, disciplinary action and example of teachers and administrators. These, then, permeate, interact and become determinative in the total life of the academic institution.

In view of this we contend that it is a matter of basic injustice when the state distributes public funds, collected by compulsory taxation to one school system based on a so-called "neutral" view of life and denies such benefits to school systems which have embraced the Christian view of life. This same state makes attendance at a school compulsory but will allow the compulsory taxation to be used in only one school system.

The argument is often extended that, "if you people want non-public schools that's up to you. Just as it's up to you if you want to own a 'Cadillac' over against a cheaper car but don't ask me to help pay for your 'Cadillac'."

I appreciate part of the statement of such people, that non-public education is the 'Cadillac' of education. We wouldn't mind paying for our 'Cadillac' even in its entirety if we wouldn't first have to help pay for everybody else's something or other, which something costs about twice as much on a per item basis as non-public education, and we have to pay for this something or other before we can even begin thinking about paying for our 'Cadillac'. This we consider to be double or triple taxation which is unjust.

We believe it will be for the good of our entire country to have all education treated on an equal basis. We do not like the idea that the United States of America stands virtually alone with

communist countries among the democracies of the Western Hemisphere in refusing to make equal provisions for non-public education. Such democracies as England, Scotland, Ireland, Holland, Wales, Denmark, Sweden, Norway, Finland, France, West Germany, Belgium, Austria, Israel, Italy, Switzerland, Zealand, and Indonesia all recognize a pluriformity in educational systems and give financial assistance accordingly.

We do not believe in guilt by association but I think you will agree the U.S. is in poor company in denying freedom in education to all children.

We are not against Public Education as we know it today. We believe we will always need schools where the children can be taught, whose parents do not demand a special education for them. We also are not asking for support, in any form or fashion, for our churches. We will gladly sacrifice for our own various beliefs but we believe it to be a gross error to ask to sacrifice for our educational enterprise to the extent we now do. This educational structure is performing a public function for the public good. It is educating almost 20% of the young people of our state. We consider it unfair competition when our government demands education for all but gives it away on the one hand and double taxes on the other.

We indulge your earnest consideration of all of the items before you concerning education aid to non-public schools. We believe the climate to allow for such legislation has never been better. We believe all our state citizens are beginning to realize that all of us will pay for education for all children one way or another. Either we get a fair share of the tax dollar or much of the competition will disappear and these children will then receive the tax dollar to which they are entitled. This will not lessen the cost of education but will rather increase it because of more pupils and because of greater per student cost.

You men are constantly concerned about finances, about balancing budgets, about good deals. May I remind you of the greatest bargain you could possibly strike--that of helping our non-public schools to help themselves and thus keep the competitive factor alive in education as it is in all other facets of life.

It has often been said and allegations made that aid in any form to non-public schools is unconstitutional, do we have any legal precedents that should have anything to say on this aspect of the subject?

First, allow me to say that if something is unconstitutional we don't want anything to do with it, but the only way we can ever determine this is to try it, test it in the courts. Yes we have many precedents concerning education and constitutionally - Here are some of those decisions:

No man shall be enforced, restrained, molested or burthoned in his body or goods; or shall otherwise suffer on account of his religious beliefs; but all men shall be free to profess and by argument to maintain their opinions in matters of religion, and the same shall in no wise diminish, enlarge, or affect their civil capacities. (Thomas Jefferson's Bill for Establishing Religious Freedom - 1786).

Religion, morality and knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall be forever encouraged. (Northwest Ordinance, 1789. Southwest Ordinance, 1790, First U.S. Congress).

Public funds may be appropriated for the performance of a public function by an institution conducted under the auspices of a church. (U.S. Supreme Court majority opinion in Bradfield v. Roberts, 175 U.S. 291-1899).

The fundamental theory of liberty upon which all governments in this Union repose excludes any general power of the State to standardize its children by forcing them to accept instruction from public teachers only. The child is not the mere creature of the state; those who nurture him and direct his destiny have the right, coupled with the high duty, to recognize and prepare him for additional obligations. (U.S. Spreme Court majority opinion in Pierce v. Society of Sisters, 268 U.S. 510 - 1925).

The use of government funds to provide secular textbooks for parochial school students is Constitutionally justifiable as an expenditure for a public purpose. (U.S. Supreme Court majority opinion in Cochran v. Board of Education, 281 U.S. 370 - 1930).

A state cannot exclude individual Catholics, Lutherans, Mohammedans, Baptists, Jews, Methodists, Non-believers, Presbyterians, or the members of any other faith, because of their faith or lack of it from receiving the benefits of public welfare legislation. (U.S. Supreme Court majority opinion in Everson v. Board of Education, 330 U.S. 1 - 1947).

It is too late in the day to doubt that the liberties of religion and expression may be infringed by the denial or placing of conditions upon a benefit or privelege. To condition the availability of benefits upon an individual's willingness to violate a cardinal principle of his religious faith effectively penalizes the free exercise of his constitutional liberties. (U.S. Supreme Court majority opinion in Sherbert v. Verner, 374 U.S. 398-1963).

Do you see anything in these decisions that outlaws aid to students in non-public education? I don't. Finally, I borrow extensively from a task Force Report on Economics Growth and

THIRD REPORT
TASK FORCE ON ECONOMIC GROWTH AND OPPORTUNITY
OF THE U.S. CHAMBER OF COMMERCE.

Education

Competition in Education

Finally, and perhaps most important, the Task Force favors the use of market forces to foster innovation and to provide evaluations of public school education. We have already seen that innovation is necessary to improve education for all Americans, and especially for the poor. And objective measurement of the quality of education offered by an institution is difficult indeed. The Task Force proposes to promote innovation and provide an institutional framework for the subjective evaluation of education by administering a strong dose of that most stimulating of elixers--private competition.

In brief, we recommend that the government consider continuing to finance education for all children--but that it offer them as an alternative to public education, financial support for private education up to the amount of the average expenditure per pupil in local public schools. We are led to this somewhat unusual conclusion by our belief in the importance of sound education and our concern that the present institutional structure in education may not be the best way to organize it. Our concern is based in three general observations: Where market discipline--the knowledge that if the job is not done as well as it can be, someone else who can do it better will get to do it--is absent, both complacency and timidity develop. The complacency comes from the sure knowledge that no institutional substitute is available. The timidity comes from the most-as-sure knowledge that if glaring mistakes are avoided, job tenure is likely to be prolonged. The businessman in a competitive industry knows that standing still--failing to innovate and improve efficiency--can be a more serious error than minor failure in a bold venture. Failure to innovate and improve creates a market opportunity which a competitor will be quick to exploit. Lack of competition eliminates this ceaseless pressure for progress. And as a result, public schools are less vigorous than they could be.

The fear of trouble or failure has led to a proliferation of restrictive regulations. Regulations have made it difficult to innovate, and have served as a shield for those who lack imagination and daring. One student of education has commented that public educators have become "less willing to innovate, more anxious to hide behind rules and precedents, more conditioned to saying 'No'." The present state of knowledge makes mistakes inevitable in teaching economically and culturally deprived children. Does it make sense then, to perpetuate an institutional framework which itself lessens the likelihood of innovation?

The second observation in support of our conclusion is based on the virtues of diversity. It is our conviction that no single collection of men, however competent and however dedicated, can exhaust the worthwhile possibilities in a given subject matter. Diverse groups, each pursuing institutional or personal self-interest or even selflessly working in a variety of intellectual climates, are more likely to produce divergent ideas than any monolith, no matter how tolerant. We take this diversity for granted in scholarship, in politics, and in the abundance and variety of the commercial marketplace, Why should we settle for the single choice in education?

And finally, a strong bias in favor of free choice and maximum satisfaction of individual preferences underlies our conclusion. As an intrinsic matter, we think it desirable that parents should have a choice of schools for their children. Educational philosophies differ. Different schools, none of them perfect, will have different combinations of strengths and weaknesses. Parents, with the help of professional guidance if necessary should be able to choose among them to find the combination that best satisfies them and their children. Americans take this freedom for granted in planning college or university education; relatively well-off Americans and members of some religious groups exercise the same choice for their children at the secondary-school level and sometimes before. Why should we settle for less for the great majority of Americans at the primary and secondary levels?

The notion that the government should not have a monopoly on public-financed schooling, that it should be willing to compete in an open education market with proprietary and nonprofit institutions, is neither unique to us nor unprecedented.

Our view is shared by competent critics as divergent as Milton Friedman, the noted conservative economist, and Christopher Jencks, a liberal spokesman on education whose work often appears in the pages of The New Republic. And it finds its precedent in the American system of higher education, in which the government and private universities have been in competition since the Northwest Ordinance of 1787, and where the government has subsidized students attending private institutions since 1944.*

Friedman has stated that:

"... both the imposition of a minimum level of schooling and the financing of this schooling by the state can be justified.... A third step, namely the actual

* The Servicemen's Readjustment Act of 1944 provided tuition to returning veterans and the National Defense Education Act of 1958 provided subsidies to certain civilian students. Both programs have been extended or expanded since their enactment.

administration of educational institutions by the government, the 'nationalization,'....of the bulk of the 'education industry,' is much more difficult to justify on... any...grounds."

The Task Force agrees.

As we have mentioned, private competition in education already exists for some of the population. Schools which differ in important respects from the public schools and from each other offer their services to a satisfied public. Some segregate the sexes, some use the Montessori or the permissive Summerhill approach, some impose military discipline on their pupils. The variations are many and significant. Poor and middleclass children would almost certainly benefit if such a choice were available to them of fair terms. To date, only one nongovernmental alternative has been available to the poor. The parochial schools have shown that private alternatives can reach poor people. Parochial schools have often evinced a special concern for them and for members of minority groups. Although studies suggest that in many instances they offer their students an education at least as good as that offered in most public schools, we might well gain from offering poor people a wider secular choice.

The plan we suggest for introducing private competition into the school system is relatively simple. It involves offering the parents of all pupils the option of sending their children to public schools or accepting vouchers which would be redeemable for tuition at approved schools. Minimum standards would be set for private schools, much as we set minimum standards for hospitals and require physicians to demonstrate their competence. The minimum standards would have to be carefully conceived lest they be so restrictive as to nearly perpetuate in private institutions the shortcomings of the public school system. And care should be taken to prevent the use of this program to perpetuate racial segregation.* Any school meeting these standards would be "approved" and eligible to receive payments for publicly-financed students, provided constitutional requirements were met**. The amount of the voucher payment would vary from taxing area to taxing area (much as per-pupil expenditure vary now), but it should not be less than the per-pupil expenditure in the public schools (or perhaps the schools' share of the local property tax on a home of median value in the community).

* The Task Force recognizes that public aid to pupils attending racially-discriminating private schools may be unconstitutional.

** The Task Force recognizes that constitutional questions might also be raised regarding participation by religious-affiliated schools in such a program. The Task Force does not have, however, the constitutional expertise to determine whether and under what conditions a school's religious affiliation would make public aid to its pupils unconstitutional.

Schools could, of course, charge more than this rate in tuition, but this could be expected to reduce demand for their services. And schools which could not attract pupils, or could not meet a competitive rate, would ultimately fail. Public schools would be required to offer as much value as their private competitors in order to attract pupils.

Some may object that widespread tuition grants are an "unwarranted extension of government influence." But it is certain that this proposal involves less government control of private affairs than the present system. For our present public school system is government owned and operated. This entails maximum of government control. Under our proposal, many facilities would be in private, decentralized hands. And of course, a system of government payments to schools qualified by means of objective public standards must produce less government interference in private affairs than total government control.

Of course, there are not now in existence enough private schools to meet the likely demand under such a scheme. But there is little reason to doubt that they would spring up in response to the opportunity--especially if standards with respect to the elaborateness of physical facilities were not made too stringent. Universities, like-minded groups of teachers, or private corporations (such as those with Job Corps or other OEO experience) all might be interested in operating primary and secondary schools, given the existence of a market as broad as this proposal would create. Public schools concerned about their continued attractiveness under this plan might even contract to have all or part of their facilities run by one of these groups.

The results of such a fresh approach would very likely be dramatic. Great changes would probably take place in our educational system, and especially in our public school system. But change and innovation are needed, and the results might be salutary indeed.

Jencks puts the case for change well:

Either tuition grants or management contracts to private organizations would, of course, "destroy the public school system as we know it." When one thinks of the remarkable past achievements of public education in America, this may seem a foolish step. But we must not allow the memory of past achievements to blind us to present failures. Nor should we allow the rhetoric of public school men to obscure the issue. It is natural for public servants to complain about private competition, just as private business complains about public competition...but if the terms of the competition are reasonable, there is every reason to suppose that it is healthy. Without it, both public and private enterprises have a way of ossifying. And if, as some fear, the public schools could not survive in open competition with private ones, then perhaps they should not survive.

This is a complex matter and the Task Force does not mean to be dogmatic putting forth its proposal. Changes should be made wherever improvement will result. But we are concerned that this admittedly unusual proposal be given a serious and fair hearing. It holds great promise as a means of ensuring poor children equal educational opportunity. And it could produce profound changes for the better in our entire educational system. This Task Force was made up of 100 top business leaders, Executive of Companies as General Foods, A.T. & T., major banks, Insurance Companies, Dow Chemical and many more. Their Recommendation to the U.S. government is:

Competition with existing public school systems offers a promising means of improving both public and private education. If all parents, at every income level, could choose between sending their children to public schools and sending their children to approved private schools at public expense, both public and private education would improve as schools attempted to attract and hold pupils. Businessmen should press for the fullest possible consideration of proposals designed to enhance competition in education. Local, state and federal governments should consider legislation which would enable communities to adopt programs establishing a public-private option for all children. Universities and educational associations should sponsor symposiums to explore the advantages, appropriate procedures, and possible pitfalls of establishing educational competition.

Even though this is a report to the Federal Government I maintain that it is equally if not more valid at the State level because it is or should be the States concern first of all. I, further believe, that the task force pretty well outlines how such aid should be extended and this I think pretty well ties in with what you Governor Ray have begun to do in the form of the "Tuition Grant Bill" for colleges. We urge and encourage you to continue your quest in the State of Iowa for ever better education for all of its young people at whatever school they choose to attend.

Thank you for your kind attention to this very important part of education in the State of Iowa.

Humbly submitted,

Signed/John L. De Groot

Principal of Western Christian High
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SOCIAL SERVICES

By: William J. Berry
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Since these remarks are abbreviated and limited in comparison to the broad scope of the topic, may I begin by recommending that further treatment of the subject may be found in the Winter, 1972 issue of PUBLIC WELFARE, which is the Journal of the American Public Welfare Association. This single issue is devoted to reporting on the National Round Table Conference, held in San Francisco on December 8-11, 1971, which Conference devoted much of its program to the importance of social services today and tomorrow.

In the years ahead, it would seem that the states and localities will be expected to provide the "services" aspect of social services in contrast to the income maintenance aspect. The Honorable Elliot L. Richardson, Secretary of the Dept. of Health, Education and Welfare, in reviewing the plans for the present welfare reform bill, H.R. 1, states that "The President's welfare reform program will replace 1,152 separate, existing, state and local welfare programs with a new, modern, and highly efficient system for maintenance payments administered by the Federal Government. The function of providing social services will remain with the states and localities." ("Planning for Welfare Reform" loc. cit., p. 5). Even though this might seem to be an over-optimistic statement of the workings of the Federal Government, it does outline clearly what the states and localities can plan for if the welfare reform bill passes in its present form.

However, whether the reform bill passes or not, whether there is a complete separation of services and eligibility or not, the need for social services will remain. The need to help a person in identifying and achieving his full capacity of functioning as a living human being amongst other human beings, to help him achieve a sense of worth and well being, to help him when he is helpless to provide for himself, to help him correct a mistake and to profit from his mistake by not making the same mistake twice - these needs of people are ever with us. In fact, it seems that the needs are constantly increasing - that more and more people need help, not only because there are more people, but also because there are more problems.

The liberalized divorce law has created more problems. Automation and mechanization have created more problems. Failure to enforce existing laws has created more problems. An over-emphasis on "rights" and an under-emphasis on obligations has created problems. A misinterpretation of "freedom" which has eliminated all natural and inherited restraints has created problems. (A locomotive off the tracks is free?) Robert Mondlock in his speech at the National Round Table Conference stated it this way:

"It's like the whole country is having one, huge, collective nervous breakdown. We've got a youth revolution, a racial revolution, a sexual revolution, an economic revolution, and a giant technological revolution. All the things we've always taken for granted - whether it be money, property, law and order, race, religion or family - are suddenly up for grabs. There is no black or white. Only shades of gray. We can't even agree on our own standards of conduct, on language and manners, on what can be seen and what can be heard." (What's It All About? I Don't Know", loc. cit., p. 65)

To put forth a positive effort to reverse the present trend, is indeed a worthy goal to establish. This is a goal which involves the spirit of the individual, the state and the nation. It is a goal which would aim to restore old-fashioned decency, honesty, morality, justice, integrity and responsibility. It is a goal to restore a high standard of principals into the living and working level of every citizen of our society. It reminds us that if we are to live in peace with our fellow-men, that we must all have an attitude of being "my brother's keeper". In reality, it is the LOVE theme about which we hear so much today from our younger generation. Indeed, here lies hope, with our young people, that this goal can be achieved. But they need the help, encouragement and example of every responsible adult.

No doubt you are wondering what this has to do with future goals of social services. The point I am trying to make is that we can establish any number of programs - programs for youth, for the aging, the alcoholic, the drug addict, the delinquent, recreation programs, training programs, and many others - but the underlying basic need for every person in every program is to know that somebody cares. Somehow we need to impress this on the minds and hearts of people - that we need to care and to pay attention to each other. The greatest goal we can set for ourselves is to strive for this underlying spirit of good will. With this spirit in operation, then the mechanics of working with any program or goal would be well oiled.

To establish a set of concrete goals in social services becomes dependent on society as a whole, and what course we take in the next twenty years. But just to mention a few which we should definitely consider, we would offer:

- (1) Organized recreational programs to help occupy leisure time caused by shorter working hours and unemployment, for all ages.
- (2) Family and marriage counselling clinics, including pre-marital counselling, to help meet the requirements in our dissolution of marriage law.
- (3) Big Brother and Big Sister programs to help provide guidance for the children who do not have the advantage of a good mother and/or father.
- (4) Meals on wheels and escort programs to help make it possible for people to remain in their own homes.
- (5) Homemaker and Home Health Aide services, also to help make it possible for people to remain in their own homes.
- (6) Information and referral services to assist the general public in obtaining the correct Federal Government maintenance payments and training.

These goals seem basic and logical from the present outlook. The challenge is if we are going to meet these goals. We truly have been blessed with an abundance here in Northwest Iowa. May we see fit to share that abundance with those who are not so fortunate.

COMMENTS

COUNCIL MEMBER

Bill, I wonder if you would speak just very briefly to the alternates for nursing home program. Elderly people go direct from hospital to a nursing home and all too frequently it's really a life sentence from then on, and very well may be a very long one--twenty-five to thirty years. Do you care to comment to that?

BILL BERRY

Perhaps this would be a comment that in this respect, I think that we're hearing about and aiming toward the possibility of adult foster care type of thing. This would be an alternate. To place an elderly adult or an incapacitated adult into a home like we place a neglected child into a home. An adult, foster-care program. I think this is just being talked about at this point. It seems like it has real possibilities. Then of course with these other health programs, like meals on wheels, home health aid, homemaker service, transportation services, this kind of thing, it would help a person to live in their own home for a longer period of time without going to the nursing home. Here's a couple of things at least.

COUNCIL MEMBER

Thank you.

MAURICE A. TE PASKE

Our City Manager, Arie M. Verrips, has a very brief statement to make.

-- Arie M. Verrips

Governor Ray, Mayor Te Paske, Distinguished Members of the Council:

We pondered long over how this would work today. We wondered if those we invited to speak would excite you--we felt sure they would. We wondered also whether the people in Northwest Iowa would really turn out and show their concern for our great state and particularly our area of the state over the next twenty years. Because many times in the past years when we've called for help from these people to come to the legislature and express their needs and their wants, oftentimes we were very disappointed.

This proves something to me today because it's difficult for many people to make the trip to Des Moines. Probably for one day, yes, but to stay for two, three, four days, or more, and to do the so-called lobbying that is necessary, it's expecting too much because too many people cannot afford it, do not have the time in their work schedules, and it's literally impossible for them to be there. And yet they're not a member of some great, special interest that can afford the lobbyists that must approach the legislature. So when our Indian friend, Keith, said earlier today that sometime when we go a mile and two and three and more tedious miles, finally, he said, we might knock on the door, and say, "I don't want your damn jack."

Well, I'd like to turn it around; let me use the term and the word once more, Gentlemen, Damn it, we do need your jack. And this is a great thing today, because when I see Governor's Rural Policy Council across the front of this conference table, I could read it, Governor's "Iowa" Policy Council and be just as accurate because Iowa is rural, whether we live inside the corporate limits or outside, we are a rural state from Des Moines on down.

And so we need the attention of the legislature, and frankly, we have not been able to get it. Because the lobbies of special interest are ahead of us and we don't know how to move in. We've tried through state organization such as the League and other associations and we're not heard. And so we plead with you in the first place; please, this Panel, I'm asking you now, the Governor and his Panel: Appear before the legislature immediately when they convene at a meeting just like this and will you please tell the legislators what you believe is accurate in the statements you hear from us out here, because they haven't believed us in many, many respects.

Many of the things that have been mentioned here today have been before the legislature and have failed again and again. They've been fair requests, needed requests; let me give you an example on transportation. Mr. Coupal said, rightly, "You want to sell bonds, fine. How are you going to pay for them?" Simple answer: we need a legislature that's got the guts to add another two cents perhaps to the road use tax on every gallon of gasoline. Simple answer, Joe. Oh, but they say, that's too much money, we can't pay that on gasoline. I traveled in three states last week; I paid all the way from 36 to

39½ cents for gasoline. It didn't stop me at all. When I buy an automobile I want four barrels on the carburetor, and most of these people want the same. They can buy an automobile that will run a lot cheaper on gasoline, but they want the luxury of a real fine American made car. The luxury involves good roads, so it's simple; we can do these things, but we have to remember that we got to be willing to pay the price. And we are willing to pay the price. So we caution you to beware of the special interest and please go before the legislature with a meeting like today and tell them for the grass roots; this is what the people out in Iowa want and need and look after. There's reference made to other pieces of legislature today, correction-type legislation, been before the legislature often, we've not been successful. We're not strong enough; we can't afford the lobbyists to do the job for us.

So Governor Ray, your idea for this type of council, coming out to the people, is excellent; it's great. We've needed this for a long time. I know that you will go home with the batteries charged; you'll not let them run down, and that this Council will work together and you will take apart what you have heard today and make your good decisions for what Iowa does need, and particularly in our case we're thinking about Northwest Iowa. And then we trust that you will convey to the members of the legislature when they next convene, that rural Iowa does need their help, does need correction, and I think the next twenty years for Iowa can be great. Thank you.

CLOSING REMARKS

By: Governor Ray

If I can just, Mr. Chairman, take a moment to kind of wind this meeting up, I'd like to compliment all of you who have made a presentation to us; I think they were outstanding. I think there is much food for thought in them; I think it's the kind of presentation that can be helpful to us who are in the executive branch of government. I think that there are some common threads that ran through this afternoon's testimony; if I understand correctly, there is an appreciation in almost all walks of life here in Northwest Iowa about the natural resources that we have here, about the good way of life that we have, and the many blessings that we have but very rarely take time to count. I think there is a concern on the part of everybody, particularly I remember the one person that spoke on "Youth", the one that spoke on the elderly, the one that spoke for the poor, and the minority groups; these people have a great concern about what's going to happen in the future. It isn't just where we're at today, but it's where we're going to be tomorrow or twenty years from now. I had the feeling that there was some optimism even though the people that spoke here today were willing to level with us and tell us what some of the shortcomings are and what some of the things are that they don't approve of and don't think exist in the right proportion. But I have the feeling that all of them want us to look ahead to a pollution-free community and state. I have the feeling that they all want to look ahead with some compassion for those people who cannot earn for themselves or have some handicaps or something that would prevent them from doing the things that would produce income and a way of living for themselves. I think all of them recognize that we're in a mobile society; that transportation is an important matter for us to be concerned with; that education is absolutely essential and the kind of education that is progressive and that will tax the mind and not merely teach people how to make a living, but do much more than that and teach them how to live. I sense that the people who spoke here today have a great appreciation for what we have with a recognition of some of our shortcomings and with some optimism that we can get a handle on the problems and we can plan for even a better society than we enjoy today. And it is a high standard by comparison. I think that we're interested in what we should do, how we can do it, and the direction that we're going to be traveling. And for all of the time that you people have given us, and the thought that went into these presentations which should not go unnoticed because these were not haphazard or sloppy presentations at all; they were well-done they were considered, they were thoughtful, and they were meaningful to us. To all of you who participated, I want to sincerely thank you. And Maurie, I want to thank you for chairmanning this; I want to thank the planning committee that did such a good job in making the arrangements, and your City Council members who had a hand in it, and all the people that make us feel very welcome. And, as Arie said, we'll charge our batteries as we leave this place; I don't think you can possibly listen to this and not leave feeling a little more excited about your job. And with that kind of excitement and that kind of dedication, I know these people up here have because I've worked with them and I've watched them and I've observed them, they can go and do a much better job because there's not one up here that doesn't want to do the best job that he can possibly do. I never cease to be amazed as I work with some of these people, at the dedication they have, and the desire they have, to do a good job. And the way they

can do it best is to know what is needed and to know what the people that all of us represent want us to do and we can't do all the things that are needed all the time. You listen to many people talk about the need for funds. If we were to ask people to step before us at that podium as tax payers, we would listen to people say, "We cannot afford to spend more money. And so we constantly run into this conflict and it is up to us to resolve it. You can never resolve it to the complete satisfaction of everybody that you represent. So what we do is to balance it, and do the best we can, taxing the people no more than what we think is reasonable, and spending no more than what has to be spent, but always keeping in mind that the services that we perform are important to some people. And we have to look at the over-all view, the complete picture. We can't take just one corner or one section; we have to look at all of it. And that's not easy, but that's also our job. And if these jobs were easy, you really wouldn't need us. And for that reason, I'm particularly pleased that you people have been willing to give us your thoughts and your ideas and let us have a better understanding so that we can perform our jobs much better. Thank you very much.

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