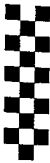


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# Growth Fundamentalism in Dying Rural Towns: Implications for Rural Development Practitioners

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*ABSTRACT* In our paper we will try to connect the dynamics of community decline to individual responses. We will operate on two levels of reality. At the first level we will discuss the circumstances surrounding the recent decline of small communities in North Dakota. At the second level we will discuss how this decline affects small town residents' attitudes toward economic development. In the first level analysis we examine the thesis that the natural environment of community growth is economic exploitation; therefore, the decline of resource-based communities is natural and inevitable. We discuss the circumstances surrounding the recent decline of small communities in North Dakota. At the second level analysis, we operate at the level at which life circumstances and environments are shaped by political-economic institutions that in turn shape the behavior and mentality of communities, families, and individuals. We hypothesize that residents of declining small towns deny their powerlessness and adapt to their situation through intense dedication to economic growth. We develop a series of hypotheses to test this thesis using data from the North Dakota Rural Life Poll. In our conclusion, we discuss implications for rural development practitioners working in declining small towns where this intense dedication to economic development is prevalent.

## Introduction

The decade of the 1980's has been one of celebration and remembrance in North Dakota. Beginning in the eastern part of the state in the early 1980's and progressing to the central in the mid-1980's, small town North Dakota residents and former residents have been celebrating the centennial anniversaries of the founding of their towns. Small towns usually try to outdo each other with parades, reunions, historical pageants and displays, athletic events, dances, and town histories. Generally, the town histories note that the town reached its zenith in population and commercial vitality in the 1920's and then began a long downward slide occasionally punctuated by brief prosperity in the late 1940's and again the mid 1970's.

In many ways these centennial observances are a bittersweet celebration. Although the residents try their best to dress up their towns with cosmetic treatments, no amount of paint or cleanup can cover up the fact that the town is dying if not already dead. Empty stores, vacant houses, abandoned schools, broken sidewalks, and

potholed streets are all unpleasant reminders of the decay of these towns.

While former residents flock to their hometowns by the hundreds to reminisce with old friends about bygone days, they may wonder if they have not been called back as faithful family members to the bedside of a loved one dying from a terminal illness. Indeed, many wonder if the loved one has not already passed away and the anniversary is a memorial service. Meanwhile, the town's residents wonder whether their role after the centennial anniversary is to pull the plug on the town's remaining life support system and to prepare the corpse for burial, or to search for a new life-restoring wonder drug in the form of a new industry or business.

Many small town residents will choose the former alternative. They have been lead to believe through historical experience and by economic prognosticators that the economic decline and death of their town is an incontrovertible fact. Thus, small town residents silently resign themselves to their fate and admit their powerlessness to change their destiny.

Others will choose the latter and will frantically search for some economic solution to their town's ultimate demise. Like the cargo cults of some South Seas Island culture, they will construct replicas in the form of industrial parks and recite magic incantations in the form of economic and tax incentives in hopes that the economic gods will send a manufacturing plant to their community.

In these situations of community decline, rural development practitioners are frequently called upon as some modern witchcraft doctor to rescue these communities from their demise. Because of their great concern for their communities' well-being, these residents often have unrealistic expectations that developers can provide the cure all for their communities' ills. They often expect immediate results, and are frequently frustrated and disappointed when the results do not occur. These frustrations and disappointments are usually directed against the developers. Economic developers then become angered by these reactionary comments and disappointed in their own ability to provide that cure-all.

In our paper we will try to connect the dynamics of community decline to individual responses. We will operate on two levels of reality. At the first level we will discuss the circumstances surrounding the recent decline of small communities in North Dakota. At the second level we will discuss how this decline affects attitudes toward economic development of residents of small towns. In our conclusion, we will discuss implications for rural development practitioners working in dying rural communities.

### Political Economic Perspective

Padfield (1980) argues that a political-economic perspective is required in order to understand the demise of small rural communities as a consequence of an environment developed and maintained by a system of economic privilege and political power. Basic to this perspective is individuals' power to control their social environments while it views their behavior as residents of these environments as secondary. Political-economic theory emphasizes the political relationships and activities through which economic control is gained. Fundamental to this understanding is not only the question of *who* controls the economy from which a community derives its livelihood, but also *how* they control it. The answers to the question of the source of a small rural community's decline will not be found within that community but in distant places such as the central headquarters of multinational corporations and governmental bureaucracies.

According to Padfield (1980:160), in order to connect the dynamics of community decline to individual responses we need to operate on two levels of reality. The first level is the political-economic structure that "enables institutions to operate the way they do", and the second level is the "life circumstances and environments these institutions shape and that in turn shape the behav-

ior and mentality of communities, families and individuals." By political-economic structure, he is referring to *laissez-faire* capitalism, and by environment he is referring to "the set of social conditions created by *laissez-faire* capitalism that daily confront individuals and for which local, collective solutions are developed."

### First Level Analysis

In this section we examine the thesis that the natural environment of community growth is economic exploitation; therefore, the decline of resource-based communities is natural and inevitable. At this first level we will discuss the circumstances surrounding the recent decline of small communities in North Dakota.

In examining the first level, Padfield argues that the natural environment of community growth is economic exploitation, therefore community decline is natural and inevitable. "It is doomed by the very forces that brought it into being." In a sense, communities are programmed to die. The political-economic system grants freedom of mobility to economic capital, but denies the same freedom to communities and workers. The economy mines a local resource or establishes a technology with a determinant life span and location. Thus, resource availability and technological development determine whether communities will grow or decline.

Because the political-economic system protects and promotes the privileges of private capital rather than community stability, it can be expected that a community's economic base, as developed and exploited by private capital, will have a determinant life expectancy. But this determinant life expectancy of community as a source of economic exploitation is in conflict with the indeterminate life expectancy of a community as habitat. Political institutions require an infrastructure of cultural stability. The fundamental purpose of community culture is to make the world predictable, but this predictability is undermined by economic unpredictability.

In this conflict lies a fundamental contradiction between the value capitalist society places on community and the value it places on individual freedom and capital mobility. "Community culture and society by its very existence and reason for being cannot self destruct. The system programs it to die on one level and to persist on another" (Padfield, 1980:160).

### Economic Exploitation of North Dakota.

North Dakota has been a classic example of internal dependence since before statehood. The internal dependency perspective asserts that it benefits the metropolitan centers for satellite areas to remain "underdeveloped" (Lovejoy and Krannich, 1980). Rural areas are maintained as dependent satellite areas because economic and political power is concentrated in metropolitan areas. According to this perspective, satellite status is instigated, encouraged, and, if necessary, forced by the dominant metropolitan centers.

Metropolitan areas encourage the development of a mono-economy in the satellite rural areas. These areas dominate the internal relations in rural areas while draining off any and all profit generated in the production process. Draining away this profit from rural to metropolitan areas leads to greater economic development in the latter while leaving the satellite rural area in a perpetual state of underdevelopment.

Historically, North Dakota has played the role of an internal colony to the commercial center of Minneapolis. "Wheat produced the wealth of North Dakota, and the Twin Cities, the chief market for that product, were inevitably the political and economic nerve center of the state — the headquarters of its railroads, grain elevators, and banks, as well as the residence of its most influential political leader" (Robinson, 1966:217). North Dakota's economic activity primarily consists of producing the raw materials for others to refine. Unfortunately, outside forces determine the price for these products to the disadvantage of the North Dakota producer.

North Dakota has always been and continues to be dependent on the exploitation of its natural resources. A 1985 USDA study (Bender, *et al.*) classified 42 of North Dakota's 53 counties as agriculturally dependent. An agriculturally-dependent county was defined as any county where farming contributed a weighted annual average of 20 percent or more of total labor and proprietor income over the five years from 1975 to 1979. Five counties were classified as mining dependent counties — counties where mining contributed 20 percent or more to total labor and proprietor income in 1979. Only one county was classified as a manufacturing dependent county — a county where manufacturing contributed 30 percent or more of total labor and proprietor income in 1979.

The farm crisis of the 1980's is yet another illustration of the dependency of rural North Dakota on external political and economic forces beyond the state's control. The farm crisis has impacted the agricultural sector of North Dakota unlike no other crisis since the Great Depression. Between 1980 and 1986, North Dakota lost 18 percent of its farms and ranches, and the average value of its farmland declined by 30 percent (North Dakota Agricultural Statistics Service, 1988).

As the "farm crisis" took its toll on the farms and ranches in North Dakota, its impact in the rural communities of the state was manifested as the "rural crisis" of the mid 1980's. In the period between 1982 and 1986, unemployment rates in North Dakota's rural counties rose steadily from 5.6 percent to 7 percent, and urban rates showed a slight decrease from 5.6 to 5.2 (Job Service of North Dakota, 1987). The percent of taxable sales and purchases for agriculturally-dependent counties in North Dakota declined from 28.5 percent of the state's total sales in 1979 to 24 percent in 1985 (North Dakota Tax Department, 1979-1987). Taxable sales in rural counties in North Dakota, adjusted for inflation, declined by 24 percent between 1981 and 1986.

### Impact on Small Towns in North Dakota

The impact of the "rural crisis" has been particularly devastating for the smallest rural communities in North Dakota. Cities less than 2,500 in population declined in population between 1980 and 1986 (Mortensen and Leistriz, 1988). These small towns comprised 20 percent of the state total population in 1980 and 19 percent in 1986. Cities with population between 1500 and 2500 declined by about one percent, those between 1000 and 1499 declined by about four percent, those between 500 and 1000 also declined by four percent and those between 200 and 500 declined by two percent.

Taxable sales in the five smallest city sizes also declined between 1980 and 1986 (Mortensen and Leistriz, 1988). Sales in these five categories accounted for 24 percent of the state's total taxable sales in 1980, but by 1986 that proportion dropped to about 19 percent. When deflated sales were examined for these five categories, the impact of the rural crisis is even more dramatic: cities between 1500 and 2500 in population lost 38 percent, those between 1000-1500 lost about 35 percent, those between 500 and 1000 lost about 36 percent, those between 200 and 500 lost about 31 percent, and those less than 200 in population lost 17 percent.

The impact of the farm crisis is also demonstrated in the decline in market share of the smallest size communities compared to the state's taxable sales. The four smallest city size groups accounted for about 24 percent of the state's taxable sales in 1980, but from 1980 to 1986 they lost substantial market shares (Mortensen and Leistriz, 1988). Cities in the 1500-2500 size category lost 26 percent of taxable sales, those in the 1000-1500 size category lost about 22 percent, those in the 500-1000 size category lost 23 percent, and those in the 200-500 size category lost 16 percent.

Small towns in North Dakota are also losing their ability to capture local retail spending (Mortensen and Leistriz, 1988). Pull factors for all city size groups declined between 1980 to 1986. Cities in the 1500-2500 size category experienced the greatest loss in pull factors (29 percent). Cities in the 1000-1500 size category lost 23 percent of their pull factor, cities in the 500-1000 size category lost 21 percent of their pull factor, and cities in the 200-500 size category lost 8 percent of their pull factor.

### Second Level Analysis

In this section, we will operate at the level at which life circumstances and environments are shaped by political-economic institutions, which in turn shape the behavior and mentality of communities, families, and individuals. Padfield's basic thesis is that the western frontier experience still persists and is evolving, but "its persistence perpetuates both naiveté in political culture regarding direct relationships between 'economic effects' and political power, and denial of powerlessness even while its consequences are being experienced" (Padfield, 1980:161).

Padfield finds irony in the fact that while small rural communities were and remain the academies of frontier ideology, these communities were the most "vulnerable to social and economic consequences of resource depletion and were destined to become the casualties of the very forces that created them" (Padfield, 1980:164). He finds it even more ironic that in terms of their cultural function these communities were accomplices in their own demise.

Padfield identifies two incompatible values in frontier ideology: belief in progress as essential to the good life (growth fundamentalism) and belief in rural community as the ideal habitat (rural fundamentalism). The belief in both growth fundamentalism and rural fundamentalism create intense stress for rural residents. They resolve this stress, however, by refusing to recognize the incompatibility of these two beliefs.

A functional element of a community's cultural system is its ability to "cope with the threat of resource depletion and human obsolescence through intense dedication to economic growth and *laissez-faire* ideology" (Padfield, 1980:165). This dedication presents a barrier against recognition of the outside forces that affect the community's destiny, and it diverts a community's struggle to economic solutions to what are basically political problems. As the consequences of decline become more acute, small rural communities frantically search for avenues of economic growth.

Padfield (1980:181) argues that we need to appraise the dying community in the context of the inconsistency between political problems and their economic solutions. He notes four phases in a community's economic life: 1) rising or boom communities; 2) end of growth and the beginning of decline; 3) the administered community; and 4) the nativistic community. The phase most important to this analysis is the third.<sup>1</sup> The administered community, or rural ghetto, is an example of the cumulative result of economic as opposed to political problem solving. The power to effect the destiny of small rural communities lies with monopoly capital and centralized government, not within the local community. But community residents of all classes, who have been socialized to believe in the sanctity of private property, respond to their position of weakness with economic rather than political solutions. Marginal businessmen and farmers either sellout, die out, or declare bankruptcy. Professionals relocate to better markets. Skilled workers migrate in search of growing communities. Those who remain — the low-wage worker, the young, and the aged — also use their economic imaginations to survive.

The tendency to equate economic viability with power explains the lack of political consciousness among those who suffer the most from powerlessness — small businessmen, residents of small communities, and rural low-wage workers. Confronted with their economic disadvantage, they do not see themselves as politically alienated, but as economically frustrated.

When their economic disadvantage can no longer be denied, their own individual powerlessness, as well as their community's powerlessness, becomes a central ideological issue. Denial of their own powerlessness becomes a practiced cultural adaptation. Rather than blame the economic system for their economic failure, they blame themselves. Individual blame becomes an essential part of their cultural and class identity. Their denial of powerlessness has significance because it is indispensable for their symbolic quest for the past.

From the theoretical discussion we derive the general hypothesis that powerlessness among rural residents is affected by their concern about their communities' financial well being, the size of their community, their structural orientation, and the extent of their belief in rural fundamentalism. In turn, growth fundamentalism is assumed to be affected by rural residents' concern for their communities' financial well-being, their feelings of powerlessness, their structural orientation, and the extent of their belief in rural fundamentalism.

### Methodology

*Data Collection.* The data used in this paper was gathered through the 1987 North Dakota Rural Life Poll. This poll is an annual state-wide survey of residents conducted by the Social Science Research Institute at the University of North Dakota. The poll involved sending a mail survey to two different samples: farm operators and rural nonfarm residents. This paper deals only with the rural nonfarm residents.

The sample was a random sample of rural North Dakotans drawn from telephone directories. A total of 1,299 rural residents were drawn in February of 1987. A total of 238 names were not mailed because of over sampling. This yielded 1041 total questionnaires mailed. A total of 480 completed questionnaires was returned with 93 returned non-deliverable. This yielded a final response rate of fifty-one percent.

*Measures.* The following measures were used to operationalize the concepts identified by Padfield (1980) in the theoretical discussion. *Powerlessness* was measured by a powerlessness scale. Rural communities as ideal habitat was measured by a *rural fundamentalism* scale. A *growth fundamentalism* scale was used to measure a belief in progress. A *structural orientation* scale was used to identify the causes of the farm crisis. A *community financial concern* scale was used to operationalize economic frustration. The individual items for each of the measures are reported in Table 1 (pp. 33-34) and the descriptive statistics for the measures are reported in Table 2 (p. 34).

The *powerlessness scale* was determined from summing respondents' answers to eleven likert-item questions regarding how often they had experienced powerlessness in the past year. The response categories ranged from 1 — never felt — to 5 — felt very often. A comparison of the midpoint and scale mean revealed that

respondents expressed a moderate level of perceived powerlessness.

The rural *fundamentalism scale* was constructed from seven questions concerning how residents rated the quality of life and business climate of their communities. The ratings ranged from 1—poor—to 4—great. A comparison of the scale mean and the midpoint demonstrated that respondents scored just below the midpoint on the scale.

Respondents were asked how concerned they were about their *communities' financial condition*. The categories ranged from 5—very concerned—to 1—not concerned. The mean for community financial condition was 4.2 indicating a very high level of concern.

*Community size* was determined by asking respondents the size of the community nearest to them. The community population sizes were less than 500, more than 500 but less than 1000, between 1000 and 2500, and greater than 2500. They were ranked from one to four, respectively. The average community size was more than 500 but less than 1000 in population.

*Structural orientation* was derived from summing respondents' answers to seven questions dealing with what they felt were the causes of the farm crisis. The response categories ranged from 1—major cause, 2—minor cause, and 3—not a cause. Six of the items dealt with structural causes while one dealt with an individual cause. The six structural cause questions were recoded in reverse. The assumption was made that the scale measures a continuum of individual to structural blame with the lower score indicating a low structural/high individual orientation while a higher score indicating high structural/low individual orientation. The midpoint and the scale mean were approximately equal revealing that the respondents expressed a moderate degree of structural orientation. Interestingly, we did not find the pervasive influence of the frontier ethic in the form of low structural explanation for the causes of the farm crisis. If anything, the respondents recognized structural causes of

the farm crisis. Two of the nine structural causes may be interpreted as indictments of the anarchy of *laissez-faire* capitalism—over-production of crops and decreasing exports.

The *growth fundamentalism score* was derived from summing respondents' responses to six questions dealing with how they felt about various economic development concerns in their community. The response categories ranged from 1—no concern, to 5—crucial concern. A comparison of the midpoint and the scale mean demonstrates a high commitment to growth fundamentalism in the form of an very favorable endorsement of nine economic development ideas.

**Hypotheses**

Based upon the theoretical discussion, we generated several hypotheses, which are summarized in Figure 1.

Hypothesis 1: As community size increases, rural residents' concern for their community's financial well being should decrease.

Hypothesis 2: As community size increases, rural residents' feelings of powerlessness should decrease.

Hypothesis 3: As community size increases, rural residents' structural orientation should decrease.

Hypothesis 4: As community size increases, the strength of rural residents' belief in rural fundamentalism should increase.

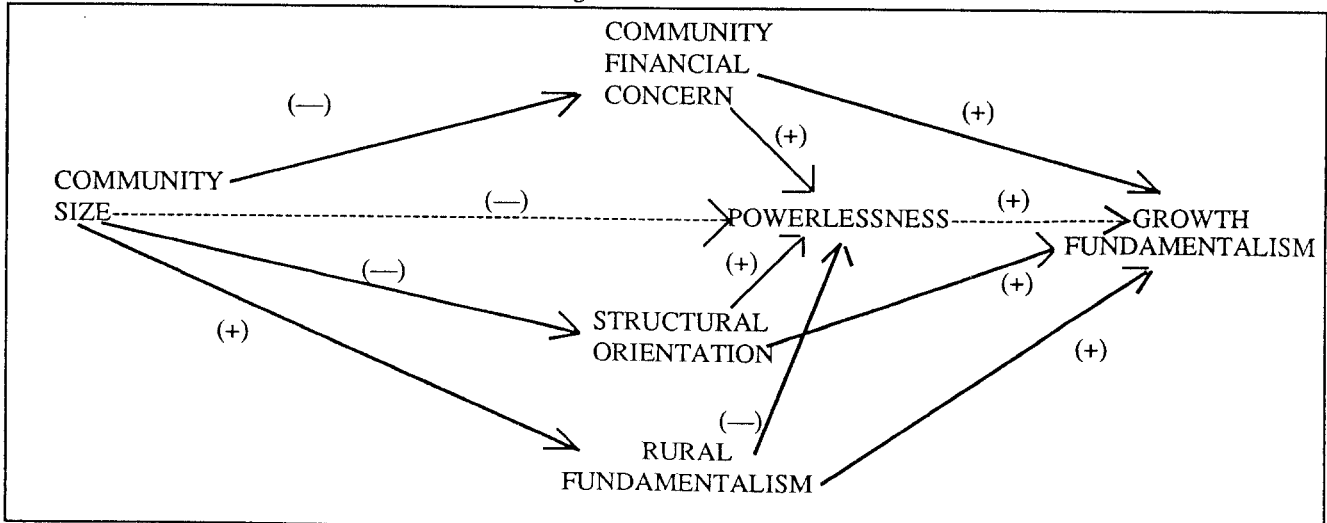
Hypothesis 5: As their concern for their community's financial well-being increases, rural residents' commitment to growth fundamentalism should increase.

Hypothesis 6: As their concern for their community's financial well-being increases, rural residents' feelings of powerlessness should increase.

Hypothesis 7: As their feelings of powerlessness increase, rural residents' commitment to growth fundamentalism should increase.

Hypothesis 8: As their structural orientation increases, rural residents' feelings of powerlessness should increase.

Figure 1. Causal Model



Hypothesis 9: As their structural orientation increases, rural residents' commitment to growth fundamentalism should increase.

Hypothesis 10: As the strength of their belief in rural fundamentalism increases, rural residents' feelings of powerlessness should decrease.

Hypothesis 11: As the strength of their beliefs in rural fundamentalism increases, rural residents' commitment to growth fundamentalism should increase.

**Analysis**

We used path analysis to estimate the parameters of the causal model presented in Figure 1. Path analysis is basically concerned with estimating the linkages between variables and using these estimates to provide information about the underlying causal processes. This recursive model has one exogenous variable — community size — and five endogenous variables — community financial concern, structural orientation, rural fundamentalism, powerlessness, and growth fundamentalism. This general model is intended to specify the relationships among the exogenous and endogenous variables measured at the same point in time.

**Structural Equations**

The exogenous and endogenous variables in the model explained little of the variance in the dependent variables. The R-squared values for each structural equation are given as follows: for powerlessness,  $R^2$  is .06, for community financial concern,  $R^2$  is .002; for growth fundamentalism,  $R^2$  is .13; for structural orientation,  $R^2$  is .01; and for rural fundamentalism,  $R^2$  is .04.

Our first hypothesis concerning the impact of community size on community financial concern was not supported (Figure 2). Although the path coefficient was in the hypothesized direction, the overall F-test indicated that the model was not significant, and the t-test indicated that community size was not significant within the equation. Similarly, the second hypothesis was not supported.

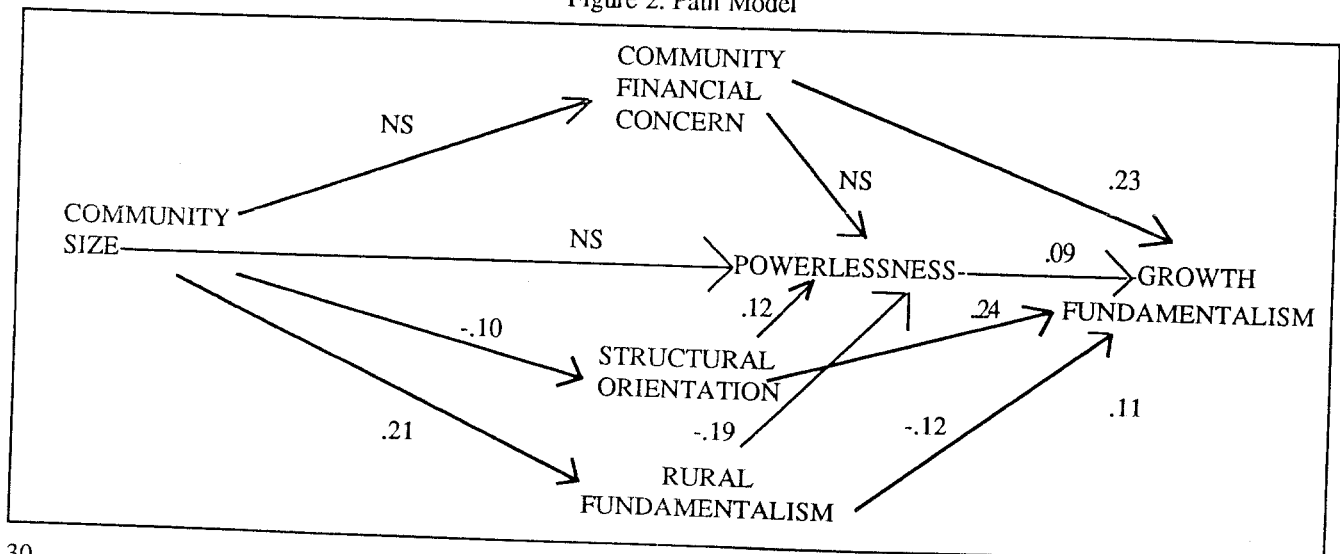
Although the overall model was significant, the t-test for community size was not significant in the equation. The path coefficient, however, was in the hypothesized direction.

A partial explanation for the lack of support for the hypothesized relationships between community size and community financial concern and powerlessness may be that residents of these small communities (under 2500 in population) have been similarly affected by the farm crisis such that these residents would exhibit similar feelings of community financial concern and powerlessness. Another reason for lack of support for the hypothesis may be that there was little variability in the measure for community financial concern. Generally, most of the respondents were very concerned about their communities' financial well-being.

Hypotheses three and four were supported. Community size had a negative impact on structural orientation and a positive impact on rural fundamentalism. Structural orientation decreased as community size increased, and rural fundamentalism increased as community size increased. While all these communities could be characterized as agriculturally dependent, one would expect that the residents of the larger of these small communities may not be as aware of the causes of the farm crisis and would therefore have a lower structural orientation than would residents of the smaller communities where these causes may be more readily understood.

Two of the three hypotheses (8 and 10) concerning powerlessness were supported. Structural orientation had a significant, positive impact on powerlessness, whereas rural fundamentalism had a significant, negative impact on powerlessness. As their structural orientation increased, rural residents' feelings of powerlessness also increased. But as their belief in rural fundamentalism increased, rural residents powerlessness decreased. This negative relationship between powerlessness and rural fundamentalism demonstrates the denial that rural residents may practice as mentioned by Padfield. Thus, rural residents

Figure 2. Path Model





in our survey may have been denying their powerlessness as their belief in rural fundamentalism increased. This denial was partially offset by the acceptance of their powerlessness as their structural orientation increased.

Hypotheses 5, 7, 9 and 11 were supported. Community financial concern, powerlessness, structural orientation, and rural fundamentalism had significant, positive impacts on growth fundamentalism. As their concern for their communities' financial well-being, their powerlessness, their structural orientation, and their rural fundamentalism increased, rural residents also increased their commitment to growth fundamentalism. Hypotheses 5, 7, and 11 were explicitly suggested by the theory. The results would suggest that rural residents resolve their powerlessness through increased commitment to growth fundamentalism. That they failed to recognize the contradiction between rural fundamentalism and growth fundamentalism was evident by the positive relationship between these two variables. Another aspect of denial may also be occurring. Rural residents may be denying their powerlessness and their structural incapacity to deal with it through increased commitment to growth fundamentalism. Evidence to support this conclusion was derived from the fact that the effect of structural orientation on growth fundamentalism was three times that of the effect of powerlessness on growth fundamentalism.

Although Hypothesis 9 was supported, it was not explicitly suggested by the theory. A partial explanation for the positive relationship between structural orientation and growth fundamentalism may be that, although rural residents have a high structural orientation in regard to causes of the farm crisis, they realized that local efforts to improve their communities' financial well-being through increased commitment to economic development efforts will be necessary. They may have recognized that it was unlikely that any legislative efforts to address the structural causes of the farm crisis would be forthcoming. Another explanation may be that even while rural residents acknowledged structural causes of the farm crisis, they were denying their powerlessness through increased commitment to growth fundamentalism. One remaining question, however, concerns whether the growth fundamentalism scale really measures belief in economic progress as essential to the good life or if it measures respondents' concern for their communities' maintenance and survival. An examination of the scale items would lead one to agree with the latter interpretation.

We examined the indirect effects of the dependent variables on the two endogenous independent variables — powerlessness and growth fundamentalism — but, we did not find that any of the independent variables had any measurable effects on the dependent variables via intervening variables.

### Implications

Although we did find support for eight of the eleven hypothesized relationships in the path model, the small

standardized regression coefficients and the small percentage of explained variation of the dependent variables did not provide conclusive evidence to test Padfield's thesis. Additional research needs to be conducted in other rural settings with a more diverse rural population and with an instrument specifically designed to test his thesis.

Although the results of the analysis did not offer conclusive evidence to support Padfield's thesis, they do lend some insight into the predicament confronting rural development practitioners working in declining communities. We did find a moderate degree of powerlessness among the respondents, and they resolved it through increased commitment to growth fundamentalism. Paradoxically, they failed to recognize the contradiction between rural fundamentalism and growth fundamentalism. They also denied their powerlessness and their structural incapacity to deal with it through their increased commitment to growth fundamentalism. Even while the respondents acknowledged the structural causes of the farm crisis, they denied their powerlessness through increased commitment to growth fundamentalism.

The challenge for rural development practitioners working in dying rural communities is in working with community residents who are intensely committed to economic development while recognizing that economic development is not likely to diminish the decline of small towns. As Padfield notes, the decline of small towns is programmed; they are destined to die under the forces of capitalism. Padfield (1980:178) discusses the predicament that practitioners find themselves in when dealing with declining communities. "Our recent history has been a continuous struggle to work out economic solutions to political problems." Furthermore, as the consequences of economic decline become more apparent, the search for economic solutions becomes more frantic.

This predicament limits our potential for cultural imagination. All strategies for social action attempt to convert political questions into economic questions. In doing so we put the cloak of economic legitimacy on efforts to correct political inequality. Direct political confrontation that fundamentally challenges the prevailing political institutions is rejected. Converting political problems into economic solutions makes all of us amateur applied economists. Focusing rural residents' efforts on economic development as a solution to their communities' inevitable demise diverts their attention from the political nature of that decline — their inability to control their own resources and, thus their inability to control their destiny.

As rural development practitioners, the challenge lies in recognizing that conventional rural development strategies have not worked well in the past and are even less likely to work for communities in stages of advanced decline or in communities without control over their own resources. Sher (1986) notes that while conventional rural development strategies have had a multitude of successes, they do not have an unblemished record. This

mixed record occurs in part from the unintended consequences of implementing these strategies; every success was purchased at a significant price. According to Sher, that price has been that few of the rural residents received any of the benefits, but they bore a disproportionate share of the costs associated with rural development strategies.

Fitzgerald and Meyer (1988) commented on the inadequacies of conventional rural development strategies that do not recognize extra-local constraints. The major constraint they recognize in conventional rural development strategies is the non-local control of local economic processes associated with the centralization of capital. It is this lack of control over their own resources and the decisions about the use of those resources that gives rise to the contradiction that Sher mentions. They contend that communities can respond to these capital constraints by increasing local economic autonomy by relying on local private capital generation and retention.

What rural development strategies can practitioners substitute for the unsuccessful strategies of the past? Perhaps as Fitzgerald and Meyer suggest, we need to begin to implement rural development strategies that establish local control and local decision making. But how do we do this? Sher (1986) suggests that we begin by focusing on the human rather than the technical side of rural development. He says that "the only rural development worthy of the name is the kind that places the well-being of rural people and the quality of rural life above the narrower calculations of corporate profit and political empire building" (1986: 519). The keys to genuine rural development, according to Sher, are empowerment, education, and entrepreneurship.

Empowerment is the "willingness and ability of rural people to more fully take charge of the development process" (1986:520). To Sher, simple justice demands that rural people's voices should prevail in deciding what rural development strategies should be pursued. Failure to become empowered to control the rural development process only guarantees that rural people will not have a voice in those decisions that affect their lives. Sher maintains that empowerment can be encouraged and nurtured through education.

The central problem, then, is how does one empower rural people through education? The answer to this question moves the role of the rural development practitioner beyond the role of the economic development technician to the role of an educator and political consciousness raiser. If we follow Freire's (1968) advice, the key to this dilemma is in helping the "oppressed" liberate themselves. For rural people to liberate themselves from inauthentic rural development strategies, they must perceive the reality of their situation, not as an impossible situation with no solution, but as a limiting situation that they can transform.

Under the umbrella of entrepreneurship Sher includes self employment, inventors, cottage industries, worker-owned enterprises, cooperatives, family farmers,

and small owner-operated businesses. The entrepreneurial sector plays an important role in maintaining and supporting rural life. Furthermore, it is through entrepreneurship that local control may be exercised. The problem is, according to Sher, that rural people have very rarely been given the encouragement, training, and technical assistance they require to become successful.

Another challenge for rural development practitioners lies in recognizing how our own dedication to *laissez-faire* capitalism limits our creative potential to propose solutions that will work. We need to begin to explore our own history of noncapitalist solutions to the problems of nonlocal control and economic decline (Robinson, 1966), to examine economic democracy as an alternative to the anarchy of *laissez-faire* capitalism (Young and Newton, 1980), and to explore the opportunities of regional socialism and democratic economic planning (Goodman, 1979).

If we do not challenge our economic assumptions, we run the risk at worst of being unwitting accomplices to the ongoing demise of rural communities. At best, we run the risk of just contributing to the frustration and feelings of powerlessness of community residents as we propose ineffective economic solutions that do not recognize the fundamental political problem underlying economic decline.

#### Notes

1. See Stofferahn, 1990 for a discussion of the first two phases.

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Table 1. Items Comprising Scales Used in the Paper

	Percent				
	Never	Almost Never	Sometimes	Fairly Often	Very Often
<u>Powerless Scale</u> In the past year, how many times have you felt each of the following emotions?					
Felt you did not have opportunity to become the kind of person you would like to be	16	18	41	14	11
Felt confident in dealing with the problems of life*	17	38	31	10	5
Felt you could not solve some of the problems that were facing you	12	27	38	16	8
Felt there was little you could do to change many of the important things in your life	10	25	38	17	10
Felt what happens to you in the future mostly depends on you*	30	38	24	6	3
Felt you were being pushed around in life	25	31	29	8	8
Felt you could do just about anything you set your mind to*	20	33	35	8	4
Felt you had little control over things that were happening to you	11	36	31	12	10
Felt nervous and stressed	8	17	39	19	17
Felt angered because of things that happened that were outside of your control	8	17	38	18	18
Felt difficulties were piling up so high that you could not overcome them	20	34	31	8	8

\* items recorded in scale construction so all items were scored in same direction

Table 1 (continued)

<u>Community Financial Condition</u>				<u>Community Size</u>				
How concerned are you about the financial condition of your community?				Response Categories				
<u>Response Categories</u>		<u>Percent</u>		<u>Response Categories</u>		<u>Percent</u>		
Very Concerned		52		<500		37		
Moderately Concerned		30		500-1000		21		
Uncertain		8		1000-2500		35		
Slightly Concerned		6		>2500		8		
Not Concerned		3						
<u>Structural Orientation</u>				<u>Rural Fundamentalism</u>				
Please indicate whether you think any or all of the following reasons are causes of the problems facing agriculture.				Overall, how would you rate your community on the following items as a place to:				
		<u>Percent</u>		<u>Percent</u>				
	<u>Major Cause</u>	<u>Minor Cause</u>	<u>Not a cause</u>		<u>Poor</u>	<u>Moderate</u>	<u>Good</u>	<u>Great</u>
Poor management practices by farmers	11	49	41	Raise children	3	12	50	35
Over production of crops	54	34	12	Earn a living	35	44	18	3
Past grain embargoes	48	41	10	Shop for essentials	22	39	31	8
An overvalued dollar	52	42	7	Shop for extras	56	28	12	4
Ineffective farm policies	62	30	8	Invest your savings	28	34	31	8
Monetary policies by Federal Reserve	39	50	1	Build a house	43	31	21	5
Decreasing export markets	77	21	2	Start a business	63	26	9	2
<u>Growth Fundamentalism</u>								
Please circle the number that best reflects the level of concern that you have for each								
		<u>Percent</u>						
	<u>None</u>	<u>Low</u>	<u>Moderate</u>	<u>High</u>	<u>Crucial</u>			
Attracting new industries	5	7	19	23	46			
Helping existing industries to remain	6	7	16	30	41			
Stimulating expansion by local business	6	9	25	32	29			
Help maintain business	3	7	16	33	41			
Renewing main street area	11	15	24	24	26			
Protecting the natural environment	8	12	29	23	28			

Table 2. Descriptive Statistics for the Measure

<u>Measure</u>	<u>Theoretical Range</u>	<u>Midpoint</u>	<u>Mean</u>	<u>Std. Dev.</u>	<u>Var.</u>	<u>Alpha</u>	<u>N</u>
Powerlessness	11 to 55	33.0	29.3	7.4	54.8	.79	478
Rural Fundament.	7 to 28	18.0	14.2	4.0	16.1	.78	480
Community Concern	1 to 5	3.0	4.2	1.1	1.1		477
Community Size	1 to 4	2.5	2.1	1.0	1.0		477
Struc. Orient.	7 to 21	14.0	16.2	3.5	12.2	.56	475
Growth Fundament.	6 to 30	18.0	21.6	6.1	37.9	.78	470

Table 3. Path Model Coefficients, F-test and Explained Variance

<u>Dependent Variables</u>	<u>Independent Variables</u>	<u>Beta</u>	<u>F-test Signif.</u>	<u>Explained Variance</u>
Com. Fin. Con.	Com. Size	-.04	.3248	.00206
Struc. Orient.	Com. Size	-.11*	.0197	.01151
Rural Fund.	Com. Size	.21*	.0000	.04356
Powerlessness	Com. Size	-.05	.0000	.06287
	Com. Fin. Con.	.06		
	Struc. Orient	.12*		
	Rural Fund	-.19*		
Growth Fund.	Com. Fin. Con.	.23*	.0000	.13393
	Powerlessness	.09*		
	Struc. Orient.	.24*		
	Rural Fund.	.12*		

\* T-Test Significance at .05