

## ***Feds Receive An Unusual Gift From the Past***

**M**ost people do their best not to give the government money when they don't have to. But when John W. Abel died at the age of 89, he bucked the trend. In his will he bequeathed his entire estate of \$1.1 million in cash and \$1.2 million worth of Colusa County, Calif. farmland to — not his relatives (he had no children), not his wife (she had died 4 years before), not even a charitable organization. Instead, John W. Abel left all of his fortune to the Federal government.

Why he did it is a story in itself. It begins more than 65 years ago, as the Depression began to be felt across America.

Many farmers had been suffering from poverty conditions long before the Depression hit. Farm poverty was a problem since at least the Civil War, not only in the South where it was most widespread, but in the Northeast as well. Many New England families were forced off the farm and into the cities or further west in search of a way out of lives of toil and privation.

During the 1870s many farmers lost their land or were forced out of business entirely by falling prices, rising costs of rail transportation, and credit restrictions. The rates of tenancy — that is, farmers renting instead of owning the land they farmed — rose from 25 percent in 1880 to 30 percent 20 years later. By 1930, 45 percent of farmers were renting their farmland. At that time 25 percent of the Nation's farms — the livelihoods of 7.7 million



During the Depression, drought destroyed millions of acres, eroding bodies and spirits, along with the land.

people — each produced less than \$600 annually, equivalent to perhaps \$18,000 today, and that included production that was directly consumed by the farm family.

American farming during this period did experience one bright spot: from 1909 to 1914 high farm prices temporarily brought prosperity to most, if not all, producers. The disruption of farming in Europe caused by World War I, from 1914 to 1918, also kept prices at a reasonable level. But after the war ended, when Mr. Abel was only

8 years old, farmers in Europe went back to work and commodity prices fell precipitously. The prosperous times never came back.

Things came to a head in the late 20s and early 30s, with a growing movement calling for measures to end poverty on the farm. In 1930, the magazine "Progressive Farmer" declared that income and health security for farm families were essential to prevent rural people from becoming

*See GIFT, continued on page 3*

## ADMINISTRATOR'S COLUMN

### *Breathing Easier With Financial Respite*

**F**SA employees have had a lot on their plates over the past few years, what with budget cuts, reorganization, staff reductions, and heavy workloads brought on by natural and economic disasters. Until recently, your jobs were made even more difficult by the knowledge that there weren't enough funds to provide all the credit that your customers desperately need — not to mention the fact that shortfalls in monies for salaries would probably result in unpaid furloughs.

Thus, it is with great relief that I can tell you that help is on the way. Furloughs this year will not be necessary. Months of effort to bring the urgency of FSA's funding situation to the attention of Congress finally paid off on May 20. The mid-year emergency spending package passed on that date includes \$574 million for agricultural assistance. That amount includes \$109.6 million for badly-needed direct and guaranteed loans and \$42.8 million for salaries and expenses — including the hiring of temporary workers to help with work overloads.

Those funds would have come in quite handy in some areas in the past few months. Some of our field office personnel were literally working night and day to process requests for loan deficiency payments, and many others volunteered for temporary duty in offices that were swamped under mountains of paperwork. It was a heroic effort, and it paid off in excellent service for our customers despite the hardships FSA employees endured.

This mid-year supplemental appropriation will remove some of the pressure we've all been working under, but it will not solve all our problems, and I'm not willing to leave the issue alone. It's been hard for all of us involved with agriculture to watch what's been happening. U.S. farmers were hit heavily in 1998 and this year with more than their share of misfortunes, including disastrous hog prices and plummeting prices of several other commodities. The Asian economic crisis hasn't helped a bit. Its rippling consequences have depressed markets around the world.

Pork prices, an example we're all familiar with, fell to a staggering 9 cents a pound by the end of last year. That's the lowest price farmers have seen in this century. We were able to help these producers somewhat with the Small Hog Operation Payment, but we could only do so much.

So, now that we've got the attention of the Congress, this Administration isn't going to let them off the hook when it comes to the plight of the American farmer. We will continue to press the advantage until the holes in the farm safety net are properly repaired.



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## GIFT

continued from front page

politically radicalized. In 1932, the leader of Iowa's National Farmers' Union chapter, Milo Reno, organized the Farm Holiday Association, which called for farmers to go on strike. For somebody Mr. Abel's age — 22 years old — this was a daunting time to begin a life in farming.

Also in 1932, a group of World War I veterans, many of them farmers who had lost their farms, marched on Washington to demand the early release of a pension bonus promised to them. They built a shantytown near the Capitol and camped there until General Douglas MacArthur and a detachment of cavalry troops, acting under orders of President Herbert Hoover, dispersed them and burned down their make-shift shelters.

That year, the wave of discontent caused by mounting unemployment and farm failures helped elect the first Democratic president since Woodrow Wilson 16 years before. After running on a platform of balancing the Federal budget, Franklin Roosevelt did an about-turn and, with the help of a sometimes-reluctant Congress, inaugurated an unprecedented series of experimental programs, implemented by a "brain trust" of academics and business leaders who believed that government action could solve the problems of poverty and social decay.

One result was an agency of the USDA with familiar initials: FSA, which stood for Farm Security Administration. Originally called the Resettlement Administration, and renamed in 1937, its original mission was to relocate entire farm communities to areas in which it was hoped farming could be carried out more profitably. But resettlement was controversial and expensive, and its results ambiguous. Other roles soon became more important, including the Standard Rural Rehabilitation Loan Program, which provided credit, farm and home management planning, and technical



Cattle in a dust storm on an overgrazed range.

supervision, and which was the forerunner of the farm loan programs of the Farmers Home Administration.

Another related program was Debt Adjustment and Tenure Improvement. FSA county supervisors, sometimes with the help of volunteer committees of local farmers, would work with farmers and their debtors to try to arbitrate agreements and head off foreclosure. The idea was to reach a deal by which the bank could recover as much or more than it would through foreclosure by allowing the farmer to remain in business. Usually, this involved the bank writing off a portion of the debt. About one-third of the cases involved farmers who were not FSA borrowers. By 1940, FSA had helped 58,000 farmers stave off foreclosure, with a

total debt reduction of \$43,554,421. The average farmer rescued by the program saw 21 percent of his debt written off.

FSA also promoted co-ops and even provided medical care to poor rural families. Although the scope of its programs was limited, poor farm families who took part benefitted greatly. One study estimates that families who participated in FSA programs saw their incomes rise by 69 percent between 1937 and 1941! Annual per capita meat consumption increased from 85 pounds to 447 pounds in the same period. Milk consumption increased by more than half.

Mr. Abel left his estate to the Federal government because he was grateful for the Federal aid his family received during the Depression, but exactly what the old FSA did to help in his case is no longer known. The Agency's records were destroyed long ago, and he took the details with him to his grave. Nevertheless, his gesture is a reminder of the difference our predecessors made to thousands of farm families in a time of great loss and upheaval. Today, when once again the family farm is facing serious difficulties, their efforts serve as an example for us to follow.



**got milk?®**

**June is National Dairy Month**

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FSA is doing its part to help the Nation's dairy farmers through their current financial difficulties. Since its inception in July 1998, the Dairy Production Disaster Assistance Program has paid out almost \$9 million to producers in 11 states. The Dairy Market Loss Assistance Program will disburse \$200 million this year to producers of approximately 113,000 dairy operations. And, through the Dairy Price Support Program, in fiscal year 1999 FSA expects to purchase 170 million pounds of nonfat dry milk to support the price of milk.

## COOL Aid: DACO's New Initiative

**T**here's big change afoot in Commodity Operations (DACO). The office is planning to completely redesign its core business functions and has formed a cross-level, cross-functional team to do the job. The COOL Aid (Change of Organizational Layout) Team will overhaul DACO's domestic and export procurement, surplus removal, administration of the U.S. Warehouse Act, and management of CCC-interest inventory. The process is well underway, as for several months the nine-member team, made up of Washington and Kansas City employees, has been researching and interviewing

customers, partners, and vendors from all of DACO's business sectors.

The move toward change began with rumblings of dissatisfaction with FSA's domestic procurement practices, especially the school food programs. FSA has served the nutritional needs of millions of students for many years, providing high quality food at the lowest possible cost. However, school needs have changed so drastically that DACO can't hope to meet their expectations with its current food program structure. While DACO is set up to accommodate a system of "from scratch" cooking, schools' increasing labor costs and student food prefer-

ences have caused a dramatic shift to heat and serve "mall" type of food. So, what good is a 50-pound bag of flour to the school that cannot afford kitchen labor? And what purpose does peanut butter serve when it ends up in the trash because it is not a brand kids recognize?

Team members have taken a long, hard look at all of the areas that fall under the purview of DACO. DACO has hired a contractor to teach team members how to create a new system, allowing for continuous improvements. COOL Aid will determine the best ways to serve customers' needs, who is best equipped to handle each function, and how changes should be accomplished. Lots of tough questions are being asked as the team makes its way through this major reinvention.

Recommendations, due in June, will be supported by data from the team's extensive research. Steve Gill, Team Leader, reports, "The work so far has made it clear that our customers' needs have changed considerably over the years, while our service has not kept up. We're building the best model we can for positive change, and it's going to take some time. But our team is committed to finding the most workable solutions to improve our service to customers."



Members of the COOL Aid Team. Sitting left to right: Cathie Johnson, Pat Miller, Steve Gill, Lisa Brown, and Cookie Stapp. Standing left to right: Clyde King, Bonnie Rack-Wildner (CEO, Brandegee, Inc.), Richard DeVries, Gary Marsden, Laurie Montgomery, and Lisa Railing (contractor with Brandegee, Inc.).

### HOW DOES OUR GROCERY BILL RING UP COMPARED TO OTHER COUNTRIES?



	Percent of Personal Income Spent on Food	Shopping List Cost
Madrid, Spain	21.0%	\$28.14
Tokyo, Japan	17.8%	\$74.23
Rome, Italy	17.6%	\$27.38
Paris, France	15.2%	\$30.10
London, England	11.5%	\$23.19
United States	10.9%	\$18.79

No matter how you look at it, U.S. consumers are winning on the food front!

Source: USDA

## Operation Haylift

by Christine Zeigler, Communications Coordinator, FSA Missouri State Office

**W**ith the help of local FSA officials, two Missouri farmers, grateful for their good hay crop late last year, shared their bounty that winter with less fortunate drought-stricken farmers in Oklahoma. The 550 large bales of hay they donated helped sustain cattle herds of 300 Chickasha, Okla. farmers. Dr. Hugh Hanna of Johnson County donated 250 bales and Wayne Scott of Henry County donated 300 bales.

Larry Olson, FSA's CED in Johnson County, Mo., helped coordinate the relief effort. "Moving 504 tons (1,008,000 pounds) of hay from here to there gets complicated," he said. The Oklahoma Department of Agriculture paid for the cost of moving the hay from the farms, while volunteers from the Central Missouri State University Ag Club and the Clinton, Mo. FFA chapter transported the hay from the farms to MFA Agri Services railroad siding in Centerview, Mo. Glenn and Gene Shippy of Centerview donated their time and tractors to load the hay into 26 railroad boxcars contributed by Union Pacific Railroad.

Olson said he appreciated all the help from the many volunteers. He noted that as this was the first haylift operation involving Johnson County, those involved worked out the logistics as the project moved forward. But, he said, "The operation went very smoothly, considering there was only one flat tire and one broken axle!"

In all, Missouri farmers donated more than 2,400 tons of hay to Texas and Oklahoma last fall and winter. "The generosity of our Missouri farmers never seems to end," said John L. Saunders, Director of the Missouri Department of Agriculture.



Dinner for Bossie.



Left to right: Dave Reaves, train operations manager with Union Pacific; Glenn Shippy; Ed Abney of MFA Agri Services; Larry Olson; and Gene Shippy.

Photos by Sue Sterling, "The Daily Star-Journal," Warrensburg, Mo.

## Outreach in California Continues to Progress

by Monique Kristofors, Outreach Coordinator, California State FSA Office

**A**s part of the California State FSA Office's expanding outreach efforts, we recently conducted a series of workshops for Hispanic producers. The workshops, held January and February in Fresno, Madera, Orosi, and Santa Maria, were an extremely successful way to give the producers an overview of FSA programs. Of the Hispanic producers who attended, 95 percent had never heard of FSA. After the workshops, phone inquiries from Hispanic producers about FSA services and the new disaster assistance program increased by 40 percent. In the Santa Maria office alone, 85 percent of the workshop attendees signed up for the disaster assistance program.

Coordination and teamwork among employees made this targeted outreach effort effective in three ways. First, we added 80 new names to our



Conducting the outreach workshop in Santa Maria, Calif. are (left to right) Jennifer Anderson, CED, Santa Barbara/Ventura Counties; Delma Del Rio, Program Technician; and Monique Kristofors, Outreach Coordinator, California State FSA Office.

producer database. Second, we found out just how effective radio publicity is in reaching some producers — our Spanish-language radio advertisements drew many of our attendees. Finally, through conducting the workshops, our staff gained valuable insight that will help us improve our program delivery. Team members

included Gene Bennett, Al Correal, Delma Del Rio, Sue Gribbon, Terry Hetzel, Chris Keeler, Monique Kristofors, Judy Mayora, Zenaida Mendoza, Bob Pierson, Janice Schoonhoven, Becky Sims, and Laura Westerfield. We also credit many other FSA employees who made this effort such a success.

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## USDA in Missouri Hosts Cultural Diversity Days

by Christine Zeigler, Communications Coordinator, Missouri State FSA Office

**A**s a fun way to promote cultural diversity awareness among employees, the Missouri USDA-Partners Civil Rights Committee recently held a program that featured speakers, videos, exhibits, and a sampling of ethnic cuisine. FSA, NRCS, Extension Service, and others joined together on this training and patterned it after an effective civil rights/EEO awareness program in Illinois. The Missouri committee presented its "Many Faces of America Days" program in four locations throughout the state for USDA and state employees.

The diversity celebration included an Hispanic awareness speaker, Thomas Gomez, who discussed employment and civil rights concerns of this country's growing Hispanic population.



For the Black Emphasis section of the program, speaker Kent Redmon performed a dramatic recitation of one of Dr. Martin Luther King Jr.'s speeches.

The program also offered videos on communication between men and women in the workplace and on effective communication with people with



Dr. Wilbur Gunier performed a Cherokee tribal dance during the Native American section.

disabilities. And, attendees sampled ethnic food like enchiladas, chicken teriyaki, and southwestern corn.

## Pack Rat's Rainy Day Finally Comes

by Doreen Riedner, Program Technician, Whitman County FSA Office, Wash.

**M**y husband Tom is a self-proclaimed pack rat. He has always been a collector of other people's "stuff." I have to admit it finally paid off.

It all began with my former CED from Clackamas/Multnomah Counties in Oregon, Paul Maggard. When he and wife Kay retired, they became missionaries in the Philippines. They told us about an orphanage there needing equipment, and Tom immediately began collecting hospital supplies, hospital beds, cribs, and a gurney. However, with all the good intentions, the Philippines effort just didn't come together, so Tom let it be known that this equipment needed a home.

A retired dentist then told us about a hospital and orphanage in Honduras that could really use Tom's growing collection, which now included 4 examination tables, 3 baby heart



Tom Riedner loads equipment for the first Honduras shipment.

monitors, and surgical lights. Because of Hurricane Mitch's recent devastation, Tom's collection needed to be shipped right away, so he and his friends got together and built crates for shipment. An added bonus: when the crates were disassembled in

Honduras, the plywood became building material. Many people helped — from a lumber company to community youths, and even the truck driver donated his time.

Volunteers filled a second container with fruits and vegetables, while a third carried 1,500 blankets, donated by a surgeon who tracked down the blankets at no cost and paid the freight himself. The donations were trucked 2,200 miles to Texas where they were then shipped to Honduras free by the Dole and Chiquita companies. But we are not stopping now, as our goal is to continue shipping one container a

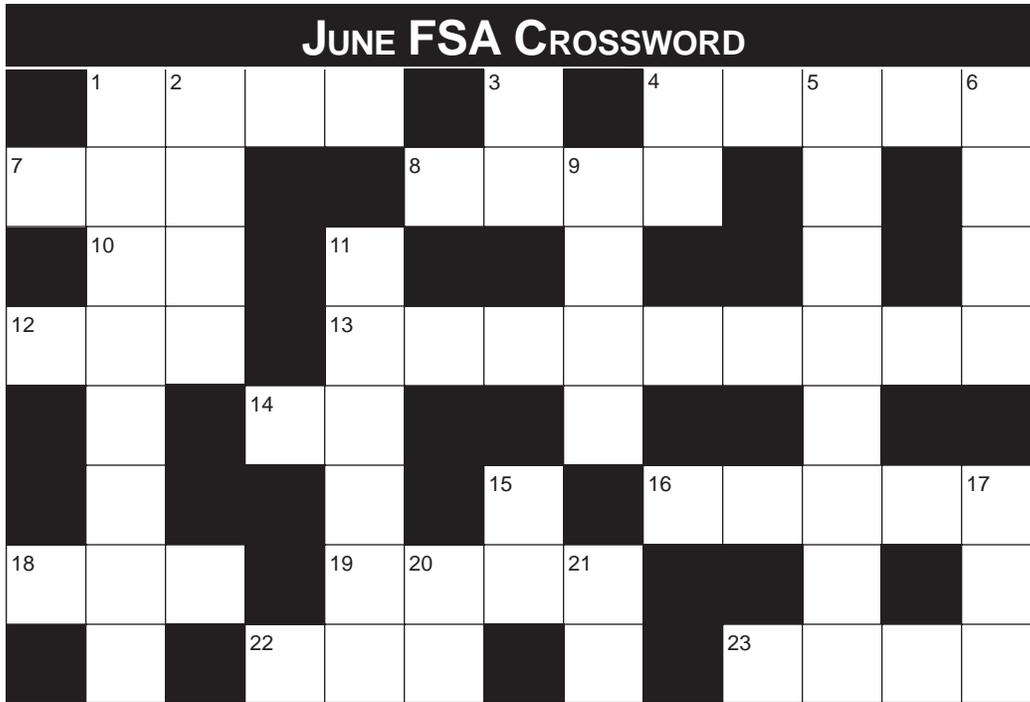
month to Honduras to assist in the recovery effort.

So many unnamed people helped with this project. They just needed to be brought together to work toward a common goal. It took just one person to get it all started.

## Mr. Shackelford!! Mr. Shackelford!!



FSA Associate Administrator Parks Shackelford fields questions from reporters during the National Association of Farm Broadcasters (NAFB) annual Washington Watch, April 25-27. Reporters' questions covered the broad spectrum of FSA services, including disaster assistance programs and loan deficiency payments. Deputy Administrator Carolyn Cooksie answered inquires about FSA's farm loan programs. The Washington Watch event also included an issues forum, a tour of the Capitol building, and meetings with members of the House and Senate Agriculture Committees.



**DOWN**

1. Farmer's techno tool
2. The main ingredients in beer are water, malt, yeast, and this
3. The SED in this close to D.C. state is Donald Davis
4. The SED in this state is Terry Peach
5. Charge for a farm loan
6. "FSA \_\_\_\_\_"
9. This California valley is famous for its wine
11. A horse calls this home
15. Sprig \_\_\_\_ parsley
17. \_\_\_\_\_ turkey
20. This state's number one crop is too easy, number two is dairy products
21. This Mister lived on a farm

**ACROSS**

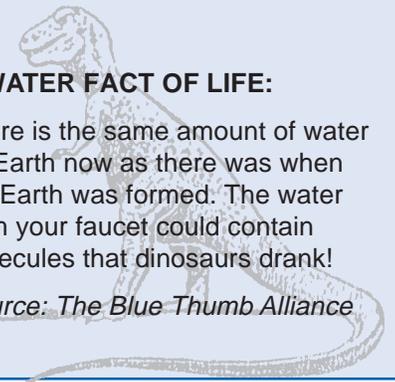
1. Cow \_\_\_\_\_
4. Don't expect a dry eye when chopping this
7. Common barnyard sound
8. A key player in the Guaranteed Loan Program
10. Initials for the character who's sweet on Kermit the Frog
12. You could get farm supplies shipped by them

13. They pay our salaries
14. She's married to Pa Kettle
16. USDA is developing more nonfood uses for this grain, including concrete!
18. Foghorn Leghorn dreams of this
19. For lake sturgeon, this span can last up to 150 years
22. The Rhode Island \_\_\_\_\_ is an American breed of chicken
23. A flower part

**A WATER FACT OF LIFE:**

There is the same amount of water on Earth now as there was when the Earth was formed. The water from your faucet could contain molecules that dinosaurs drank!

*Source: The Blue Thumb Alliance*



**CALENDAR OF UPCOMING EVENTS**

Date	Location	Event
Month of June		National Dairy Month
June 1-3	Dover, Del.	Administrator Kelly and Associate Administrator Kearney to attend USDA/1890 Task Force meeting
June 4-6	Pipestem National Park, W.Va	Robert Springer, Executive Director for State Operations, to attend West Virginia ASCOE Convention
June 5-15	Hawaii and Guam	Carolyn Cooksie, Deputy Administrator for Farm Loan Programs, to explore loan-making possibilities in American Samoa and the Pacific Territories
June 23-26	Sun Valley, Idaho	Vicki Hicks, Deputy Administrator for Commodity Operations, to speak at the Cotton Warehouse Association of America Annual Meeting
June 26-29	Wilmington, N.C.	Administrator Kelly and Carolyn Cooksie to attend NACS/NASP/NASE Annual Convention
June 29	Washington, D.C.	Vicki Hicks to speak at the National Electronic Government Conference and Exposition

*Note: The above is subject to change.*