

## THE CUMBERLAND HOMESTEADS AFTER TWENTY-FIVE YEARS<sup>1</sup>

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In 1933, when depression prevailed throughout the nation, the Subsistence Homesteads Division of the Department of Interior established the Subsistence Homesteads projects.<sup>1</sup> Thirty-three of these resettlement projects were located at various places over the country. One of them, known as the Cumberland Homesteads, was developed in Cumberland County, Tennessee, on the Cumberland Plateau.

During the depression years, and toward its close, students of economics and sociology gave much attention to schemes for alleviating the suffering of people who were left stranded by such times. In 1941, A. L. Fleming, a student at George Peabody College, and James E. Montgomery, a student at Vanderbilt University each wrote an M. A. thesis on the early economic and sociological aspects, respectively, of the Cumberland Homesteads project. And in 1943, Russell Lord and Paul H. Johnson, then working for the Bureau of Agricultural Economics, United States Department of Agriculture, wrote a report for the government in the form of an appraisal of Subsistence Homesteads. But World War II brought an end to the depression; consequently, such projects as the Subsistence Homesteads have been largely forgotten.

At the time Lord and Johnson made their study, the long term success of the Cumberland Homesteads projects was indeterminate. The purpose of this study was, in the light of twenty-five years of time, to inquire into the appropriateness of applying the subsistence homesteads concept as a suitable adjustment to such environmental conditions as are found on the Cumberland Plateau.

<sup>1</sup>"The subsistence homesteads projects were first established by the Subsistence Homesteads Division of the Department of Interior under the provisions of Section 208 of the National Industrial Recovery Act. Administration of these projects was transferred to the Resettlement Administration in 1935, and was finally lodged with the Department of Agriculture in 1937 as one of the many functions of the Farm Security Administration." Russell Lord and Paul H. Johnson, "A Place on Earth, A Critical Appraisal of Subsistence Homesteads," (Unpublished, U.S. Dept. of Agriculture, Bureau of Agricultural Economics, Washington, D.C., 1942, p. 86).

### *Establishment*

Rather unusual circumstances surrounded the establishment of the Cumberland Homesteads. Unemployment was severe. Economic conditions on the Cumberland Plateau were such that even subsistence was difficult.

Several factors contributed to the especially crucial situation on the plateau. With the coming of the Tennessee Central Railroad, near the turn of the century, much of the timber of the area was cut and marketed. It was estimated that at one time nearly one-third of the population earned its living by working in the timber industry (Montgomery, 1941, p. 77). In 1933, with the nation in depression and the timber gone, this was no longer possible.

A further reason for the critical economic conditions on the plateau was the plight of the soft coal mining industry. Bituminous coal mining was one of the industries hardest hit by the depression. Furthermore much of the readily available coal on the plateau had been mined. Several mines had been abandoned, and the workers were left stranded in a non-agricultural territory without funds with which to move.

The subsistence homesteads projects were built around part-time farming and part-time rural industry. The basic concept of the plan was that unemployed families would be settled on small subsistence farms, and that they would supplement their incomes by part-time employment in industries which were already there or would be established in the communities.

The Cumberland Homesteads project was centered a few miles southeast of Crossville and immediately south of U.S. Highway 70. Much of the land in this area was held in large tracts; consequently, when a search was begun for a tract of at least 10,000 acres for such a project, it was easy to find it in this section of the plateau. The first purchase, consisting of 10,000 acres, was made in 1934 from the Missouri Land and Coal Company (Crossville Chronicle, Jan. 4, 1934). In 1936, an additional tract of 420 acres, which was practically surrounded by the original purchase, was bought from a local owner for \$30,000, or approximately \$70.00 per acre. The average selling price of land in the area at that time was about \$7.00 per acre. Some could be purchased for as little as \$1.00, and according to Fleming, none should have cost more than \$20.00 per acre (Fleming, 1941, p. 12). This points up the fact that for some reason the government paid an unnecessarily high price for the land. The purchase of another tract of land totaling about 838 acres was authorized by the board of directors in 1937 (Crossville Chronicle, Jan. 28, 1937). There were about 300 acres of this tract which had already been cleared so that it could be cultivated that year. The total acreage of land in the project finally amounted to 27,803, including 5,055 acres owned by a coopera-

tive association which was organized among the homesteaders, and 1,300 acres which is now Cumberland Mountain State Park. Part of the land consisting of about 5,000 acres was considered coal land on which a coal mine was later opened; however, the primitive methods employed in the thin coal beds of that part of the plateau resulted in inefficient operations (Crossville Chronicle, July 28, 1938).

#### *Development*

The forest on most of the land purchased for the Cumberland Homesteads had been cut over, but in large part the land had never been cleared for cultivation. There were, though, fifteen farms being worked within the area when the project was started. Approximately 3,000 acres, about nine per cent of the total land area, was cleared by the government at a cost of \$65 to \$150 per acre. The average cost to the farmers of that area for clearing was \$7.00 per acre (Fleming, p. 12). It should be noted, however, that in the Government clearing, all stumps, sticks, and stones were removed so that the ground could be cultivated with great ease, whereas ordinarily, farmers left the stumps to be removed after the first year or two of cultivation.

The work of clearing the land brought substantial immediate relief to the people of the area. By July 1935, there were 700 men employed clearing the land and building roads (Crossville Chronicle, July 4, 1935), and later as many as 1,400 were working at one time (Lord, 1942, p. 86). The monthly payroll reached \$30,000 in April, 1936 (Crossville Chronicle, April 2, 1936).

The total number of homes finally developed on the project was 253 (Crossville Chronicle, July 28, 1938). The farm units ranged from 7½ acres to 150 acres, averaging 35 acres each. The farms were equipped with barns and tools, and stocked with animals. In some sections of the project, where larger areas of level land were suited to clearing for cultivation, the farms were developed into close-knit neighborhoods which resulted in settlement and road patterns resembling urban subdivisions.

At a central point in the project area a grade school, a high school, a gymnasium, and a community center were erected. These buildings, having been constructed of locally quarried, native sandstone, and their interiors kept in good repair, still serve the community.

#### *Characteristics of the Settlers*

The outcome of any such project will be affected by the characteristics of the people who settle it. Most of the families selected for the homesteads were from the Cumberland Plateau and therefore already familiar with the environment in which they would find themselves. About 50 per cent were selected from Cumberland County, 35 per cent from adjoining counties, 10 per cent from the remainder of the state, and 5 per cent from outside the state (Lord, p. 34).

The selectees had previously been employed in various ways. Of the 228 family heads listing their former occupation on their application forms, 40.3 per cent gave their most common occupation as unskilled labor; of this number many had been employed in local coal mines; 31.3 per cent of the total had owned and operated farms or small businesses (Lord, p. 84).

The heads of the families who settled the project were relatively young. Almost 60 per cent were under 35 years of age (Lord, p. 85). This selection of younger families was done deliberately, based on the belief that they would more readily make adaptations to the new ways, and that they would be better able to complete the long term contracts.

In many of the families formal schooling had been comparatively meager. Almost 68 per cent of the heads of families had attended no more than grammar school, and about half of these had not completed the eighth grade. Only approximately one-fourth of all parents had attended high school, and only about 10 per cent had completed all four years (Lord, p. 85).

Although many of the settlers had been engaged in well-paying occupations in former years, they were definitely in the lower income level during the year preceding their selection. Many of the selectees were taken directly from relief rolls. Others, though not on relief, were unemployed; some had had no earnings for months.

#### *Method of Payment for Improvements*

The homesteaders who occupied their property prior to the completion of the project construction did so under a temporary agreement. Under this contract rental payments were charged amounting to about \$11.00 per month. Each lease contained an option to purchase the property which could be exercised at any time by a single payment of \$10.00 or more, with the other payments to be made by the homesteader in amounts of \$10.00 or more at any time he saw fit within forty years (Crossville Chronicle, Jan. 19, 1939).

When the construction of the project was completed, the cost was prorated among the individual homesteads, and a final contract was drawn up in which the total amount due was set forth. The average total cost per unit was \$7,335, which was far more than the homesteaders could afford to pay (Montgomery, p. 85). In 1937, in an attempt to remedy this unfavorable price, all homesteads were appraised at their agricultural value by independent appraisers. The units consisting of small farms were offered to the homesteaders at an average valuation of \$1,927, whereas some of the units having full-time farms were evaluated as high as \$4,360 (Crossville Chronicle, Jan. 19, 1939). This appraisal resulted in the units being sold to the homesteaders at approximately 20 per cent of the cost of development (Fleming, p. 12).

*Type of Dwellings Constructed*

There were twelve different house plans, ranging from four to seven rooms each, for the dwellings constructed on the project units. All were built of durable sandstone and equipped with electricity and modern plumbing, facilities which did not prevail on the plateau prior to the days of the TVA. Attractiveness rather than economy and efficiency seems to have been the dominant criterion for building; as a result the houses are not well adapted to farm use. Few of them have basements in which to store farm food products, however storage houses were built separately. The kitchens are as small as those of recently constructed urban dwellings, and many bedrooms are so small that double-deck beds are required.

*Farming*

During the first two years of the project's operation, little attention was given to the farming possibilities of the land. Except for small gardens, major efforts and attentions were directed toward clearing and construction. But as the construction drew to a close, attention slowly shifted to cultivation of the land. Although the sandstone cap of the Cumberland Plateau was known to have produced soils that were generally deficient in the more soluble plant nutrients, at the time the project was established relatively little was known about the production capacity of the soil in that immediate vicinity, for most of the land of the project had never been touched by the plow.

The University of Tennessee and the Tennessee Valley Authority assisted in the agricultural program of the Homesteads. The Agricultural Experiment Station carried on a program of "Home Production of Food Supplies" designed primarily to determine the most suitable crops, from an economic point of view, for the conditions which existed. The year 1936 was utilized largely in getting the various cropping systems under way and in experimenting with the more important crops. A few homesteads were selected as experimental farms and the operators were paid to follow the directions of the experiment station (Lord, p. 89).

The farms of the project are classified as general farms, having both pasture land and crop land on which livestock, field crops, and vegetables are produced for market. At the present time the largest percentage of the cultivated land is occupied by pasture and corn for feeding beef cattle, some fine small herds of which have been developed. Vegetables, principally green beans and pimento peppers, are grown and marketed at a nearby cannery. Burley tobacco is also grown as a cash crop.

A larger percentage of farm land in the project area than on the plateau as a whole has been cleared for cultivation. This characteristic, along with the better crops and neater looking farms, creates a more prosperous appearance in the Homesteads

project area than is found on the plateau in general, a condition which will attract the attention of the observer as he passes through.

Only about fifty per cent of the original settlers still occupy the units. The families who were unsuccessful with part-time farming or who for various reasons chose to leave the project have transferred their equity to others.

Even if the farmers had all been experienced and successful, their small acreages, intended to be only part-time farms, would not have taken care of all the homesteaders' needs.

*Cooperative Enterprises*

When the construction was finished and these pay rolls brought to an end, the homesteaders had no means of supplementing their incomes. No provision had been made for a lasting economic base for the people on the project. For a time the hope had prevailed that by some form of subsidy some privately operated industry could be induced to move into the community, but no industrialist was found who was willing to establish a plant there. Not only was the nation still in depression, but the local handicaps were many: few of the homesteaders were skilled, markets were either nonexistent or distant, local raw materials were limited in type, transportation facilities were inadequate, and freight rates were high.

"The device of the cooperative was finally hit upon as an expedient that would permit the establishment of the all-important economic base without which the project was doomed to immediate collapse (Lord, p. 87). Thus, the Cumberland Homesteaders Cooperative Association was formed. A board of directors was selected from among the homesteaders and local people. The cooperative secured a charter from the state permitting it to function as a non-profit organization for the buying and selling of products arising in operating the Homesteads. Perfection of this organization made possible large-scale buying of seed, fertilizer, and other materials, as well as the cooperative selling of the products of the Homesteads.

A number of cooperative enterprises were attempted in the early days of the project: a trading post, a hog enterprise, a coal mine, a crafts shop, a lunchroom, a poultry enterprise, and a cannery.

Apparently the cannery was temporarily the most successful of the various enterprises. It required 400 men and women on its day and night shifts during the summer of 1937, the first season of operation, making it necessary to bring in many workers from other communities (Crossville Chronicle, July 29, 1937). Blackberries, beans, tomatoes and beets were canned. It was estimated that the plant could handle production from 1,200 acres. The output from the cannery was sold through a whole-

sale marketing agency which handled the output of other similar government agencies.

Yet even this once-bustling canning industry failed. Many homesteaders were not farmers, and their production of vegetables suffered by reason of lack of experience. Not enough vegetables were produced to keep the cannery in steady operation. Then there were labor troubles in the plant itself. The extra laborers needed temporarily were required to join a labor union. The extreme trade union position of securing a closed shop is reported to have contributed substantially to the eventual failure of the plant. Furthermore, even the reduced output of the cannery had difficulty in finding a market. As a result of this combination of problems, the enterprise was operated part of two seasons and then abandoned.

By the middle of 1938, as one cooperative enterprise after another ended in failure, both the homesteaders and the Farm Security Administration officials, under whose supervision the project had come, were convinced that there was little likelihood of establishing a functionally sound industry on a cooperative basis (Lord, p. 89). The failure of all the cooperative enterprises left the homesteaders with only their part-time farm units with which to pay for their homes.

Various reasons have been given for the failure of the cooperative association in its enterprises. Homesteaders laid the failure to government supervision and red tape. Many believed that some of the enterprises would have been successful had more responsibility been delegated to the people, a concession which the officials were unwilling to grant, for inhabitants of the Cumberland Plateau had had little experience with cooperatives.

#### *Establishment of Private Industry*

Convinced that the cooperative enterprises would not furnish employment for the homesteaders, the administration again searched for a privately operated industry that might be interested in building a plant in the area. The association had the authority to subsidize it. Funds could be advanced for building and equipment on a favorable basis. Full management could be retained by the industry, the only reservation being that the homesteaders would have preference in employment and, through the association, a share in the profits (Lord, p. 89).

Finally a firm in Pennsylvania that manufactured full-fashioned hosiery was interested in the location. The concern was granted a loan by the association of \$750,000 to cover the cost of the building and approximately 60 knitting machines. The plant was large enough to employ 200 people when in full operation. A 22 acre tract of land was set aside for the building. Work on construction of the plant started in December of 1938

(Crossville Chronicle, Dec. 22, 1938). This structure still houses a knitting mill which employs 125 persons, the largest manufacturing activity in the community.

In August, 1959, it was announced that a firm which manufactures a synthetic yarn would take over the building housing the knitting mill. The president of the firm reported that over one million dollars worth of machinery would be installed, and that the company would employ 300 people and have an annual payroll of \$600,000 at full production (Tennessee Industrial Development News, Sept., 1959).

In the years following the establishment of the first textile mill other small industries were located in the area. In 1941, a furniture factory was constructed (Lord, p. 92). Under the sponsorship of the association this company installed machinery for the cutting of porch and lawn furniture. The plant was operated for about three months, but owing to decreased sales it was closed during the summer of 1941. Later more machinery was installed for the manufacture of book cases, but this business, too, finally failed.

The Rex Products Company opened a plant in 1950 for the manufacture of yardsticks, a business which operated on a profit making basis until 1958 at which time it was destroyed by fire.

In 1955, the Five Star Shirt Company began operations on a small scale in a plant constructed in the community. This plant, much expanded, will soon be taken over by the knitting firm which is to be replaced in the community's main industrial plant.

Although the textile mill remained the major industry, the three small factories, along with sandstone quarries located nearby, helped greatly toward making the community self sustaining, as it was originally intended by the government; but local employment opportunities are still inadequate, and some of the residents of the community commute to jobs as far away as Oak Ridge, a distance of 40 miles.

#### *Summary and Conclusions:*

To those who decided upon the establishment of the project, the Cumberland Plateau must have seemed an ideal place for a subsistence homesteads venture. Here were many of the very kind of people the Rural Resettlement Administration was supposed to rescue. There was an abundance of unused land, mostly forested, which was cheap. At least part of the soil was considered satisfactory for certain truck crops. The need for some kind of relief was desperate.

The need for relief was, however, in part a reflection of the already unfavorable man-land ratio. The desperate economic condition of the people was an indication that the resource base

was insufficient for the population already located in the area. Furthermore, a basic fallacy seems to have existed in the establishment of the subsistence homesteads during such a period. The homesteaders were expected to be provided with part-time employment in factories in a time of depression, a period during which there was already widespread unemployment.

The judgment passed by Russell Lord, in 1942, on the wisdom of applying the subsistence homesteads concept in this instance can still be upheld eighteen years later (Lord, p. 96).

Cumberland Homesteads cannot be called a success; neither can it justly be called a failure. As a temporary relief proposition, it has had its merits and its faults. It has afforded work and food and shelter to more than 200 families, many of whom, at least at the time the project was begun, were destitute and desperate or almost hopeless. It has given these people the chance to become small owners, and by one or another expedient has kept them going.

On the other hand, the basic economic problem has not yet been solved. There is still no established economic base big enough and solid enough to insure the continued welfare of the community . . .

This continuing and as yet unsolved problem of a sufficient economic base suggests that fundamentally it may have been unwise to apply the subsistence homesteads program in this situation. It may be that, instead of tying people down in an area not rich in natural resources and without definite advantages for industrial development, it would have been wiser in the long run to try to bring about their removal to areas of greater potentiality. It appears probable that the inescapable basic disadvantages of the situation in which this project was originally placed were so great that later efforts to establish an economic foundation were bound to meet at least partial failure.

When the industrial expansion described above has been completed, a great stride forward will have been made toward the solution of the fundamental economic problem of insufficient industry. A complete solution perhaps should not be expected, for the basic resource deficiencies may never be overcome. The transportation facilities are limited, the water supply is inadequate, raw materials must be brought in, markets are distant, and there is a lack of general education and industrial experience on the part of the people.

The lack of transportation facilities is a major handicap. It has long been recognized that "The Appalachian Plateaus with their east-facing escarpments are the most formidable barriers to transportation in the eastern United States" (Miller et al., 1954, p. 277). The result has been that the principal through routes, both east-west and north-south, have skirted the Cumberland Plateau. Only one major cross-country route of any kind, U.S. Highway 70, crosses the central part of this physiographic province. No major railroad crosses the Plateau in Tennessee. The Tennessee Central Railroad, a small intrastate line, provides the only means of rail transportation. No north-south U.S. highway or rail route exists.

Some ground water is available in the area, but a study of the yield of wells indicates that the quantity which can be obtained is not enough adequately to supply a large industry. Manufacturers are also concerned about the chemical characteristics of their water supply. The ground water on the plateau has been found to have high iron and calcium contents.

Local raw materials are limited to the small agricultural output, a poor quality and depleted timber supply, thin coal seams not suited to the mining methods which prevail today, and building stone which can hardly be expected to furnish large-scale employment.

The degree of success of any project, however, is dependent upon the criteria which are employed as a measuring device. In terms of a business venture, the project would have to be judged a failure: too high a price was paid for the land, and the cost of clearing it was too high; the difference between the prorated cost of the improvements and the appraised price for which the units were contracted to settlers no doubt covered both excessive prices and inefficiency. Furthermore the primary objective has not been accomplished, but there are social considerations which lie outside the realm of financial statements or prearranged objectives. The substantial homes, neat farms, and productive fields of the Cumberland Homesteads community today stand out as concrete evidence of accomplishment.

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