

195

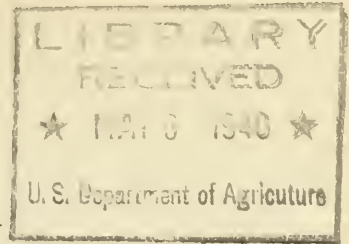
F 11

unpublished
5-11-40

ARTHURDALE PROJECT

of the

FARM SECURITY ADMINISTRATION



Few groups of American workmen have felt the effects of the changing times more than the coal miners. After the World War the industry developed faster than its market and huge surpluses were created. At the same time, the increasing use of other fuels such as gas and oil lessened the demand for coal. The substitution of machines for men in the mining operations further shortened the demand for coal miners. Most striking example of the displacement of workers occurred in the bituminous coal industry, in which most coal miners are employed. In 1923, the peak year of employment, 705,000 men were at work producing bituminous coal. In 1924, 458,000 were employed. Although many of the displaced workers found employment in other fields, it is estimated that in 1934, at least 75,000 of these coal miners were unemployed.

Preston County, located high in the hills of northern West Virginia, was one of the mining areas hit hardest of all. In boom times men had flocked to Preston County to find work in the mines. Many of them came from the poor farms in the hill regions. At first, the new mining communities prospered. The expanding industry helped rebuild and paint many farm dwellings, furnished a local market for pit timber and farm produce, financed the building of good roads, schools and towns, and otherwise served to raise living standards. When the decline started in 1924, however, what gains had been made were rapidly lost. Other industries were unable to absorb the surplus labor. There was no room for the jobless miners on the farms. By April 1933, nearly half of the families living in Preston County and the nearby area were receiving

some kind of relief.

For this reason Preston County was one of the first areas to receive the attention of the new Division of Subsistence Homesteads of the Department of the Interior, which was established in June 1933. The new agency was set up to provide good homes with large gardens for families who had part-time work in some industry. The gardens would enable the families to supplement their incomes with home-raised food and the new homes would help them maintain an adequate standard of living. In a few cases, the Division of Subsistence Homesteads also planned to develop subsistence homesteads communities where groups of "stranded workers," like the miners in Preston County, could obtain full-time employment. Three sources of income were to be provided: the development of community industries, the sale of agricultural products, and the encouragement of private industry to establish factories or assembly plants in the locality.

The idea of constructing small factories was in line with the idea of "decentralization of industry" urged by some leading industrialists, who felt that the concentration of all industrial development in huge cities was unwise. One of the strongest arguments offered to support this belief was the probable elimination, through decentralization, of the unhealthy conditions under which so many city workers lived. By October 1933, the Division of Subsistence Homesteads had developed its plan for a subsistence homestead community in Preston County.

Development of this community, called Arthurdale, was transferred to the Resettlement Administration by Executive Order No. 7041, dated May 15, 1935. The Resettlement Administration maintained the development until September 1937, when its successor, the Farm Security



Administration, assumed responsibility for the community.

Development of Arthurdale

The first step in community development was the purchase of 1,128 acres of farm land near the small town of Reedsville. This particular tract had once been a part of the plantation of Colonel George Fairfax, aide to George Washington. In more recent years, the estate had acquired the local name of "the old Arthur place" after one of its later owners. When the Federal government acquired the property the name was changed to "Arthurdale."

Soon after the purchase of the land the construction of the Arthurdale community began. Government engineers supervised the construction and labor was supplied by the homesteaders themselves and by workmen from the nearby area at prevailing wage rates.

The homes were constructed in three groups. The first group to be erected consisted of 50 privately-manufactured prefabricated frame houses, purchased in the fall of 1933 in a hurried effort to provide shelter for the first occupants. At that time, the existing housing facilities--consisting principally of the old Arthur house--were already overtaxed and more families were arriving every day. The new houses, when completed, contained four, five and six rooms, and were equipped with bath and kitchen plumbing, electric lights, and hot air furnaces.

The second group comprised 75 houses of frame and concrete block construction--6 with five rooms, 1 with five-and-a-third rooms, 28 with six rooms, and 40 with six-and-a-third rooms. These houses likewise contained complete plumbing and electric facilities, and were heated with hot water systems.

The third group, of stone-veneer-over-frame construction, consisted of 38 six-room dwellings, and 2 six-and-a-third-room houses--equipped like those in the second group. All houses in each group had coal ranges as standard equipment.

All but seven units in the community were equipped with outbuildings consisting of a barn, poultry house, and hog house. In addition, contracts were let for the construction of 108 root cellars on units without house basements, and storage houses were added to each of the other units with the exception of one which already had adequate storage space.

The water supply for 129 of the units was provided by the drilling of individual wells and the installation of pressure tanks and electric pumps. A central water system consisting of wells and reservoirs was built to serve the community center and 36 of the homesteads. Septic tanks and disposal fields were provided for sewage disposal.

The erection of a number of essential community buildings rounded out the Arthurdale construction program.

The Complete Town - Its Cost

The completed Arthurdale combines the features of a farming community and a small town. In the heart of Arthurdale is the community center, with its general store, barber shop, post office, meeting hall, display room, handicraft workshop, and filling station. On the side of a hill overlooking the community center is an inn. A school and a community health center are nearby.

Around this group of community buildings, the 165 homestead units are arranged. Each of the units consists of about three acres of land, and in addition to the house, a combination barn-and-poultry house,

and a vegetable storage cellar. The farmsteads are placed so as to utilize the best house sites and face on the project roads. Three factory buildings lie on the outskirts of the community.

While most of the planning and construction work was completed in 1937, some phases of the work, such as land development, have been carried on up to a recent date. Because of this, estimates of development costs have varied from time to time.

A cost report covering the homesteads, the six schools, the civic and trade center, the inn, one factory building, and the chicken farm was completed on March 6, 1940, and covered all expenditures for those items up to June 30, 1939. The total cost of the development included in this report was \$2,303,071. With the exception of the loan to the Arthurdale cooperative, this represents the total expenditure of the Federal government at Arthurdale.

An analysis of this cost report shows that approximately 60 percent of the total amount was used in the development of the 165 homesteads. The average cost of the labor and material used in building an Arthurdale home was \$4,914; the average cost of a homestead unit--including the house, outbuildings, land, land improvement, water system, sewerage system, and overhead--was \$8,665; the total cost of all the 165 homesteads was \$1,429,777. The cost analysis also shows that the total cost of the schools, utilities and sanitation, roads, community land improvement, community land was \$527,212; and the total cost of the civic and trade center, inn, one factory building, chicken farm, and the land and land improvement surrounding these developments was \$346,081.

A large part of the expense incurred in building Arthurdale can be charged to the relief and rehabilitation aspects of the community. For

a considerable period of time development work was the only means of livelihood available for a great many of the families. A large amount of unskilled labor was used. Moreover, as Arthurdale was the first community of its kind to be developed, it carried a disproportionately large share of planning and general development costs necessary to the formation of these communities.

In all, more than \$1,650,000 went for labor; and at the peak of employment in August 1935, more than 630 men were working at construction, many of whom came from the relief rolls of the nearby area. Lower costs would also have been possible if the Government had left the development of the schools and other community facilities to the local governments and the residents of the locality.

Growth of a New Town

By the summer of 1937, construction of the homes was complete and Arthurdale had taken on the appearance of a real community. By this time too, nearly all of the families had arrived.

The homesteaders had been selected from hundreds of applicants on the basis of need, ability to work, and good health. More than half of them were destitute mining families, and the others were families who had secured their incomes from construction work, manufacturing, railroading, lumbering and farming. All but a few were on relief at the time they were accepted. Their average income from all sources for the year prior to making application was only \$467 per family.

The families moved into their new homes under a rental arrangement with rents ranging from \$8 to \$11 a month. As of January 31, 1940, Arthurdale families had paid rentals totalling nearly \$96,000, and the



rate of delinquency was only 2.9 percent. Within a short time, however, this period of renting will be ended. Arrangements are now being made that will enable the families to purchase their homestead units.

Because the Federal government owns the property, it is not taxable in the regular manner. Instead, the Government makes payments in lieu of taxes to all local taxing authorities out of rental receipts. In return, the community receives the services available to other towns in that area, such as police protection and maintenance of schools. After the property is sold, it will be taxable in the same manner as all privately-owned property.

Industry in Arthurdale

From an industrial standpoint, Arthurdale is still in its period of formation. The program of supplementing industrial employment with part-time farming operations has been slow to develop. As the Federal government is unable to establish industries itself, it has fallen to the homesteaders themselves, with the cooperation of private industry, to prove the advantages of this factory-farm type of community.

To date, they have been unable to successfully maintain a factory at Arthurdale. The homesteaders have developed several small cooperative enterprises, but these enterprises have not been able to employ more than a small number of the homesteaders. All of the families, of course, work part-time on their individual farmsteads and a few have found employment in nearby areas.

Arthurdale's economic development as it stands today is built around the Arthurdale Association, a non-profit cooperative set up under the laws of West Virginia. The organization is governed by a



board of directors chosen from among its membership. It owns several agricultural, industrial, and community service enterprises. Membership in the association is open to every homesteader, each member having one vote; and provision is made for equal distribution to the members of any surplus above the amount necessary for current obligations, reserve funds, and maintenance.

Community services owned and operated by the association include a general store and a 20-room inn. The store was opened in January 1936. The inn has been in operation since June 1938, offering moderately priced rooms and meals to the general public. The high altitude of its location--approximately 3,000 feet--adds to its attractiveness. In addition to these enterprises, a general farm, a poultry establishment, and a dairy developed by the cooperative have been leased to individual homesteaders.

In the industrial field, the association operates a woodworking shop and a forge. Period furniture is manufactured for marketing through sales outlets in New York and Philadelphia. The woodworking shop also manufactures kitchen cabinets, interior trim, and other mass production products. The forge makes pewter ware and wrought iron products.

The association owns three one-story factories. The community furniture plant occupies one factory and half of the second. The other half of the second factory has been leased to the National Youth Administration.

A third factory was completed early in 1939 for the assembling of farm equipment, principally tractors. This plant was built and equipped with funds provided by the Arthurdale Association. In addition,



the association has purchased the capital stock of the Arthurdale Farm Equipment Corporation, which was organized by the homesteaders to lease the factory and manage the assembly operations.

To enable the association to develop and carry on its operations, the Federal government has loaned the Arthurdale Association a total of \$677,754. Of this amount, \$125,000 was allocated for the building and equipping of the factory now leased to the equipment corporation. In addition, \$200,000 was used to purchase the corporation's capital stock. The remainder was set aside for the construction of the community furniture plant and several farm buildings, and the development of the other activities of the Arthurdale Association.

Community Life

Along with its economic development, Arthurdale has been providing itself with the facilities that are necessary in every full-fledged community. Arthurdale has its own school and its own health center, and has developed a wide range of social and recreational facilities.

The community school, directed by local school authorities and complete from nursery through the high school grades, is housed in six separate buildings, one of which contains a combination gymnasium-auditorium that seats more than 500 people. Vocational training is stressed; an educational program has been developed that is designed to knit the school and the whole community closely together.

Group activities, such as classes, clubs, forums, handicraft and out-door activities are conducted in the school buildings and meet the interests of all age groups. In addition, the schools house a well-equipped library available to all and provide space and facilities

for community motion pictures and other weekly entertainments, church services, and socials.

ooOoo

U. S. Department of Agriculture
Farm Security Administration
PB March 21, 1940

