

Postscript

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THE PERSONALITY of a human being is formed early in his or her existence and, while experiences frequently modify it in some ways, its basic outlines remain generally the same throughout life. And so it is with institutions and with political entities. While North Dakota has changed in some ways in the thirty years since Elwyn Robinson wrote this book, the main characteristics of the state that he delineated have proven to be remarkably durable.*

This book was a product of its times and was thus shaped in part by the historical trends of the 1950s and early 1960s. In those days, most history was political history, and that reality was reflected in Robinson's emphasis.

**The author gratefully acknowledges the helpful comments and suggestions of Barbara Handy-Marchello, Mark Harvey, and Larry Peterson.*

Robinson stressed how the state's remoteness, dependence, and colonial economic status shaped its politics, especially, and most remarkably, by giving it a vital agrarian radical tradition. During the past generation, dependency and economic colonialism have continued to shape the politics of the state, but agrarian radicalism has disappeared, largely because the relationship between North Dakota and the federal government has changed dramatically.

Before the 1930s, the federal government frequently served as an impediment to what North Dakotans wanted to accomplish. It carried them into war when they wanted peace, it helped a conservative minority undermine the Nonpartisan League, and, while it encouraged manufacturing with tariffs, it did little to sustain agriculture. Small wonder that North Dakota Congressmen cultivated the image of outsiders battling against an oppressive national government.

Franklin Roosevelt's New Deal significantly altered the relationship between North Dakota and the federal government by making the state a ward of the nation. Federal entitlement and emergency programs, especially for agricultural subsidization and relief, poured massive amounts of money into the state. After World War II more money flowed in, for defense installations, highways, education, welfare services, and numerous other purposes. The result was that North Dakota enjoyed an enormously favorable fiscal relationship to the federal government, receiving two or three dollars each year from Washington for every dollar it sent back in taxes and counting itself among the leading states in federal expenditures per capita. Today government is second—and a close second, at that—to agriculture as a source of income for the state.

The changed relationship between the federal government and North Dakota required a new political style, though politicians steeped in the agrarian radical tradition were slow to grasp that reality. Even as William Lemke and Wild Bill Langer continued to play the outsider role, Milton Young represented the prototype for the post-war North Dakota politician on the national stage. Young was quiet and unobtrusive—quite the opposite of his senior colleague, Bill Langer—but was effective at shifting money out of the rest of the country and into North Dakota. Other successful North Dakota Senators (because states are represented equally in the Senate, North Dakota enjoys disproportionate influence there), such as Kent Conrad and the late Quentin Burdick, have been equally adept at maintaining and increasing the flow of federal dollars into the state.

By taking much of the price risk out of farming and by redistributing resources from industry to agriculture and from rich states to poor states such as North Dakota, the federal government inadvertently addressed the grievances that formed the heart of agrarian radicalism in the state. As a consequence, the state has become conservative in the sense that it is interested in preserving a set of arrangements under which it has prospered.

Compounding the irony represented by growing conservatism in a traditionally radical state is the fact that the party most devoted to preserving North Dakota's relationship with the federal government—the Democratic Nonpartisan League party—carries the name of the state's most famous agrarian insurgent organization.

In contemporary politics North Dakota finds itself in the unaccustomed position of

being in step with much of the rest of the country. On the one hand, like many others, North Dakotans are critical of excessive government spending. They are attracted to such ideas as term limits and the balanced budget amendment that promise to curb Congress' wasteful ways, and self-proclaimed budget-cutter H. Ross Perot ran well enough there in 1992 that *Newsweek* proclaimed North Dakota part of "Perot Country." On the other hand, North Dakotans define any federal expenditures that benefit them as absolutely essential, and they react with fear and anger when Congress discusses ending the honey subsidy or closing an air base. When it means matching the high level of political immaturity demonstrated by so many Americans, getting in step with the rest of the country is not necessarily good.

Other political changes have been more positive. For example, the past thirty years have seen Indians—the main non-white minority in the state with four percent of the population—and women play a much more significant role in state and local politics. Such Indian leaders as Louise Defender Wilson and Richard LaFromboise have become prominent in the Democratic party, and women have played an increasingly active and visible role in both parties. The election of Sarah Vogel to the traditionally male post of Agriculture Commissioner in 1988 and Heidi Heitkamp's 1992 election as Attorney General were especially important indications that women's abilities were finally receiving some recognition from the state's electorate.

In a number of ways, though, the political culture described by Elwyn Robinson thirty years ago remains intact. North Dakotans continue to be part of the "commonwealth" political tradition. They take their responsibilities as citizens seriously, and they vote in large numbers—65 percent or better in most presidential contests. They are civil to one another, and distrust the negative, sound-bite campaigning that plays such an important role in contemporary politics in the United States. North Dakotans continue to expect that their elected officials will be honest, forthcoming, and accessible. North Dakota leads the nation in elected officials per capita. Robinson would see this as a particularly graphic illustration of the "too-much mistake," but it can also be interpreted as showing the willingness of some North Dakotans to serve their communities and the desire of others to have them accessible and responsive.

The commonwealth political tradition is also reflected in the remarkable vitality of the initiative and referendum process. In the past twenty years voters have restructured the tax system, legalized charitable gambling, disapproved—then approved—Sunday opening for retail stores, and cancelled a series of tax increases, among other actions. Those most closely identified with the initiative and referral processes, such as Kent French, John Gosbee, and Russell Odegard, have become major public figures, capable of influencing legislation simply by threatening to initiate or refer. What they perceive as abuses of the system have led some legislators to propose constitutional amendments making it more difficult to initiate and refer legislation, but most citizens remain devoted to these devices that allow them to govern directly.

Robinson recognized the intimate relationship between economics and the character of the state of North Dakota. Remoteness was an important impediment to industrial development, and helped tie the state to dependence on a relatively undiversified agriculture. The lack of economic diversification, in turn, gave North Dakota a colonial position relative to the rest of the country, as it exported raw commodities to be processed elsewhere and imported capital and manufactured products from outside the state.

The past thirty years have seen relatively little change in the basic structure of the state's economy. Agriculture continues to be the main generator of wealth in North Dakota, and the retail sector—most of it directly or indirectly serving agriculture—remains significant, but manufacturing continues to be relatively unimportant.

Since 1980 the attraction of manufacturing to the state has become an increasingly significant public concern. The administrations of Allen Olson and George Sinner saw a growing emphasis on the state's economic development endeavors, and Ed Schafer, son of famous North Dakota entrepreneur Harold Schafer of Gold Seal Products, was elected governor in 1992 mainly because of the public belief that he could improve the state's record in attracting manufacturing.

The results of these efforts have thus far been somewhat disappointing for several reasons. First, the state continues to labor under the disabilities of remoteness from major markets and an unattractive climate, though its proximity to supplies has made it attractive to some food processors. Second, neither investment capital nor skilled workers are abundant in the state. Third, the manufacturing sector is shrinking in the United States as a whole, compounding the difficulty of attracting firms. Finally, as the Greater North Dakota Association discovered in preparing its Vision 2000 report on the future of the state's economy in 1989, the state suffers from a failure of entrepreneurial imagination and an intense aversion to taking risks. Banks are reluctant to lend to start-up companies in endeavors with which they are unfamiliar (Great Plains Software of Fargo, probably the most spectacular new company in the state in the past thirty years, was unable to borrow seed money from North Dakota banks), and entrepreneurs are unwilling to try anything new. This reluctance is based in the correct perception that the North Dakota economy has punished risk takers more often than it has rewarded them, but it clearly complicates efforts to diversify the economy.

Diversification has occurred in areas other than manufacturing, albeit slowly. Its reserves of fossil fuels meant that North Dakota enjoyed a boom during the energy crisis of the seventies, when lignite production nearly tripled and oil production nearly doubled, but coal and petroleum are commodities subject to a boom-and-bust cycle, as the state learned to its deep regret in the eighties. Tourism continues to enjoy steady growth. Legalized gambling and the continuing development of retail and medical facilities, especially in Minot, Grand Forks, and Fargo (which has also constructed a large, multi-purpose indoor facility, the Fargodome), have been effective in drawing visitors from Canada and other surrounding areas. Unfortunately, though, North Dakota lacks the natural wonders that might make it a major tourist mecca.

Agriculture remains the key to North Dakota's economy, but it is an enterprise that has changed dramatically over the past half century. In the years after World War II, and especially after 1960, many of the risks were taken out of agriculture. Price risk was mitigated by government loan programs, enacted initially in the 1930s, that effectively put a floor under prices. Production risk was diminished by a number of factors. Sophisticated farm machinery, such as tractors and combines, allowed timely field operations. Anhydrous ammonia dramatically eased the task of nitrogen fertilization, allowing yields to rise impressively. Insecticides such as DDT, and herbicides such as 2,4-D diminished losses to pests. Area-specific crop varieties, many developed by the North Dakota Agricultural Experiment Station, were more dependable producers than their predecessors. Finally, federal crop insurance protected farmers against weather-

related losses. The result was that by the 1960s North Dakota farmers had what their parents and grandparents never had: high assurance that they would produce a crop of predictable size and would receive at least a predictable minimum price for it.

The problem was that, as is usually the case in our free-market system, declining risk was accompanied by diminishing rewards. American agriculture in general was highly productive throughout the postwar period, meaning that surpluses were ever-present and that crop prices did not rise in step with the general price level. At the same time, farmers' costs for expensive machinery, seed, and chemicals did increase, narrowing margins.

Farmers sought to escape some of the effects of the cost-price squeeze by achieving economies of scale. Modern machinery facilitated larger farms and modern economic realities compelled them. As farmers bid aggressively for the acres of neighbors who were retiring or otherwise leaving agriculture, the price of land rose more rapidly than the profits it could produce. At the end of World War II the average North Dakota acre returned over 18 percent of its value to its owner. In 1961 it returned just over 10 percent, and only 9 percent in 1971. A decade later the average acre returned a paltry 4.25 percent. Ironically, the decline in per acre returns further fueled farmers' desires to add more acres, with the result that there were fewer and larger farms all of the time. In 1960, there were 55,000 farms in the state, averaging about 760 acres in size. By 1980 there were only 40,000 farms in the state, and they averaged over 1040 acres in size. Twelve years later there were only 33,000 farms left in North Dakota, and their average size was about 1225 acres.

North Dakota agriculture has enjoyed periodic booms, and the 1970s saw a remarkable one resulting from the favorable conjunction of several factors that spurred exports. First, production shortfalls hit a number of major world agricultural producers, including some of our competitors. Second, high world prosperity, particularly pronounced in developing countries, allowed customers to purchase more of our products. The détente policy with the Soviet Union and the initiation of relations with China opened markets that had been restricted previously. Finally, President Richard Nixon's devaluation of the dollar in 1971 made American exports more attractive throughout the world.

Farmers in North Dakota and across the United States responded to the ensuing price surge with enthusiasm. They welcomed the Nixon Administration's "fencerow-to-fencerow" policy removing production restrictions, broke previously unbroken lands, were cheered by the assurance of Agriculture Secretary Earl Butz that prosperity would be permanent, and expanded their operations in every way possible. Expansion in a time of prosperity resulted in a dramatic inflation of land values. In 1971 the average North Dakota acre was worth \$96, but ten years later it was worth \$424, an increase of 342 percent.

By the late seventies the boom was faltering, and had clearly ended by 1981. The boom busted mainly because world production patterns returned to normal, but other factors also played a role. The Gerald Ford and Jimmy Carter export embargoes—the first in response to high domestic grain prices and the second in retaliation for the Soviet invasion of Afghanistan in 1979—raised questions about our reliability as a supplier. Also in 1979, the Paul Volcker-led Federal Reserve Board decided to fight inflation by raising interest rates. That action both increased the value of the dollar and imperiled debtors who had benefited from low real interest rates in the sixties and seventies. The

Ronald Reagan tax cuts of the early 1980s inflated the deficit and helped assure that real interest rates would remain high, with all of the negative consequences for agriculture that implied.

These developments brought an agricultural depression in the eighties that rivaled that of the thirties in severity. Despite massive infusions of federal money, thousands of North Dakota farmers lost their land. Especially vulnerable were young farmers just getting into agriculture and those who had expanded through the use of complex and risky leveraging strategies.

The eighties compelled farmers to re-appreciate the risks of their enterprise. They have become very conscious of their costs, even showing a willingness to sacrifice some yield to keep expenses down. They have shown a new commitment to diversification, both by adding new crops and animals to their production mix and by adding more incomes to the family. Some have switched to organic systems to exploit the vibrant niche market for natural foods. They have also demonstrated an interest in capturing food production profits that presently go to processors. The Dakota Growers Pasta Company at Carrington, opened in 1993, is the best known of several cooperative processing enterprises that aim to return more profits to their farmer members.

The predominance of agriculture in the North Dakota economy meant that the changes through which it passed would inevitably have significant social effects. As agricultural productivity rose, the number of farmers and the number of on-farm jobs declined. Because alternative local job opportunities were limited, shrinking agricultural employment translated into migration from the countryside to urban places, both inside North Dakota and outside the state.

The 1990 census revealed several significant effects of this rural-urban migration. First, it showed that North Dakota's overall population had declined since 1980 and that the state had the dubious distinction of being the only one in the Union with fewer people than it had in 1920. Second, the census showed that several counties in the western part of the state had fewer than two people per square mile, a significant number because a century ago the Census Bureau had used it as an indication of an area's emergence from frontier status. The North Dakota Census Data Center predicted that half of the counties in the state would have fewer than two people per square mile in 2000. Third, the census showed that a majority of North Dakotans—53.3 percent to be exact—now lived in urban places, for the first time in the state's history. And finally, while the census showed solid growth in bustling centers such as Bismarck, Fargo, Grand Forks, and Minot, it also carried the melancholy news 80 percent of the incorporated places in the state had lost population since 1960, and that some had disincorporated.

Not only is the population of rural North Dakota declining, it is also aging. The rural birthrate has fallen to the point that the average farm household is only slightly larger than the average urban household. There are many reasons for this decline, but two of the most important are the diminishing need for labor on modern farms and the increasing difficulty of providing viable farms to more than one or two heirs. A second major cause of the aging of rural communities is the reality that young adults are the most likely to migrate, often using college or military service as a conduit out of the community and out of the state. As a result of these two factors, the percentage of North Dakotans over the age of 65 has risen from 10.7 in 1970 to 14.3 in 1990, with the most dramatic

increases in rural areas.

In combination, out-migration and the aging of the residual population has devastated many communities. Institutions that are of great significance to North Dakotans have become difficult for many communities to maintain. North Dakotans prize education, and are among the nation's leaders in high school degrees per capita, but country towns find it challenging to keep small schools open in the face of declining enrollments and more demanding state requirements. The loss of a school has an economic effect, but because schools are sources of local pride, identity, and unity, the impact on morale is more devastating. Churches are another institution prized in North Dakota, where over three-fourths of the people profess church membership. But shrinking population has made it difficult to maintain churches.

Communities also find it difficult to provide basic services. Small towns and counties have a harder time fulfilling their basic obligations to citizens. Rural residents, especially older ones, are disturbed that medical care is no longer available locally. The loss of retail stores and cafes further weakens service centers, and has a spiraling effect, diminishing traffic and the value of remaining main street businesses. In one sense, all of this might be seen as confirmation of Robinson's "too-much mistake" insight that there are simply too many towns, schools, counties, retail stores, and so forth to be supported adequately. But that provides no consolation for people who face the loss of identity that a disappearing community entails.

One result of this dismal process has been a sharpening of the contrast between the two North Dakotas. The first is rural, aging, declining, often pessimistic and sometimes fearful of the future. The second is urban, growing, vital, optimistic, and hopeful. The first often regards the second with bitterness and anger, while the second demonstrates little understanding of what the first is going through. The urban-rural split, older than the state itself, has thus been intensified by the social and economic stresses of the last generation.

The continuing salience of the rural-urban split is one of the characteristics that sets North Dakota apart from most other states. In many other ways, however, North Dakota has overcome the handicap of remoteness to become more like the rest of the country. North Dakotans are more fully a part of the national culture than ever before. They read the same books and magazines as people elsewhere, watch the same television programs, carried by cable systems or picked up by satellite dishes, wear the same styles of clothing, consume the same types of foods, and shop at the same national chain retail stores. They travel more widely than their parents and grandparents, visiting throughout the United States and in foreign lands and frequently wintering in Arizona or elsewhere.

In gender relations, as well, North Dakotans have shown themselves to be in step with national trends. Women are more assertive, not only in the political arena but at home and in the workplace as well. More North Dakota women than ever choose to be single, and women and men are less reluctant to divorce than their parents were. Indeed, the percentage of North Dakotans over fifteen who were divorced nearly quadrupled between 1970 and 1990, to 6 percent. Married women are the fastest growing segment of the work force, in both rural and urban North Dakota, and working women frequently have young children at home.

Other ways in which North Dakota has become more like American society in general are less benign. In recent years, North Dakotans have been stunned when drug rings were uncovered in cities and even small towns. Teen suicide, pregnancy, substance abuse, and even crime appear there, as they do elsewhere. Citizens in Fargo, Grand Forks, and Grafton were shocked to learn in 1993 that incipient youth gang activity was taking place in their communities. North Dakota has had its share of securities frauds and financial scandals, including a large kickback scheme involving Housing and Urban Development Department funds. Nor are North Dakotans immune to intolerance of Indians, Hispanics, gays, East Asians, Middle Easterners, and other minorities. North Dakotans are reluctant to acknowledge such problems, and, indeed, most are less pronounced there than elsewhere, but they do exist.

For good or ill, then, modem communications and transportation have diminished the physical remoteness that so impressed Elwyn Robinson. Still, a sort of “mental remoteness” remains. Because they share an ethnic heritage, or because they share a physical place and a political entity, or because they experience the same environment and social milieu, or because of some combination of these, North Dakotans feel that they have something in common that distinguishes them from other Americans.

For many, being a North Dakotan means feeling inferior. It is not surprising that this feeling should arise, when national comedians make North Dakota a synonym for nowhere, or when the state appears on the national news only when there is a blizzard or flood. Nor is it hard to feel inferior when more people move out of your state than move in, or when all of your famous native sons and daughters live outside North Dakota.

But there is more to what Robinson called “the character of a people” than just a sense of inferiority. There is also devotion to the old virtues of hard work and personal integrity. There is also loyalty to family, friends, and community. And there is also a general decency, civility, and tolerance in human relationships. Many North Dakotans believe that it is these characteristics that make them remote—perhaps increasingly so—from the rest of the nation, and in these things they have no desire to overcome their remoteness.