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The redevelopment of Russell County, Virginia : a survey of the causes of poverty in an Appalachian county and efforts to correct them

Daniel Alvin Dye

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THE REDEVELOPMENT OF RUSSELL COUNTY, VIRGINIA:
A SURVEY OF THE CAUSES OF POVERTY IN AN
APPALACHIAN COUNTY AND EFFORTS
TO CORRECT THEM

A Thesis
Presented to
the Graduate Faculty
The University of Richmond

In Partial Fulfillment
of the Requirements for the Degree
Master of Arts in Political Science

by
Daniel Alvin Dye
August 1966

This Thesis is dedicated to my wife,
Phyllis Compton Dye, and my daughter,
Deaun Ruth Dye.

ACKNOWLEDGMENTS

From the outset, permit me to express my sincere appreciation to all of those who have helped me in obtaining the material and in preparing this paper.

I am deeply indebted to Mr. Ellwood Bausell, editor of The Lebanon News, who granted me access to his newspaper files even while his plant was being completely re-equipped. Also, I am indebted to Mr. Theodore Sinclair of the Division of Industrial Development and Planning. Mr. Sinclair departed from his busy schedule and discussed with me, at length, the problems of Russell County, and he obtained for me a copy of a report on a survey of the Southwestern Virginia area which was conducted by his office. This report had not been made public and was otherwise unobtainable. I am also deeply indebted to Mr. Luther Compton whose moral encouragement and financial support sustained me in my hour of need.

My special thanks are extended to Dr. Spencer D. Albright and Dr. Ralph C. McDanel of the University of Richmond. Their helpful suggestions and capable supervision made my task much more enjoyable and far less difficult. It would be impossible to describe the inspiration which these great scholars instilled in me through their teachings and quest of truth. I hope that this word of thanks

will in some way repay them.

I would also like to thank Mrs. J. B. Whitworth, Jr., for the many hours which she spent at her typewriter. Through her great skill and diligence, this paper was transformed into a legible final copy from an almost illegible rough draft.

Finally, words cannot express the debt that I owe to my wife. Her many sacrifices and devotion have made possible not only this paper but my college education as well.

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INTRODUCTION

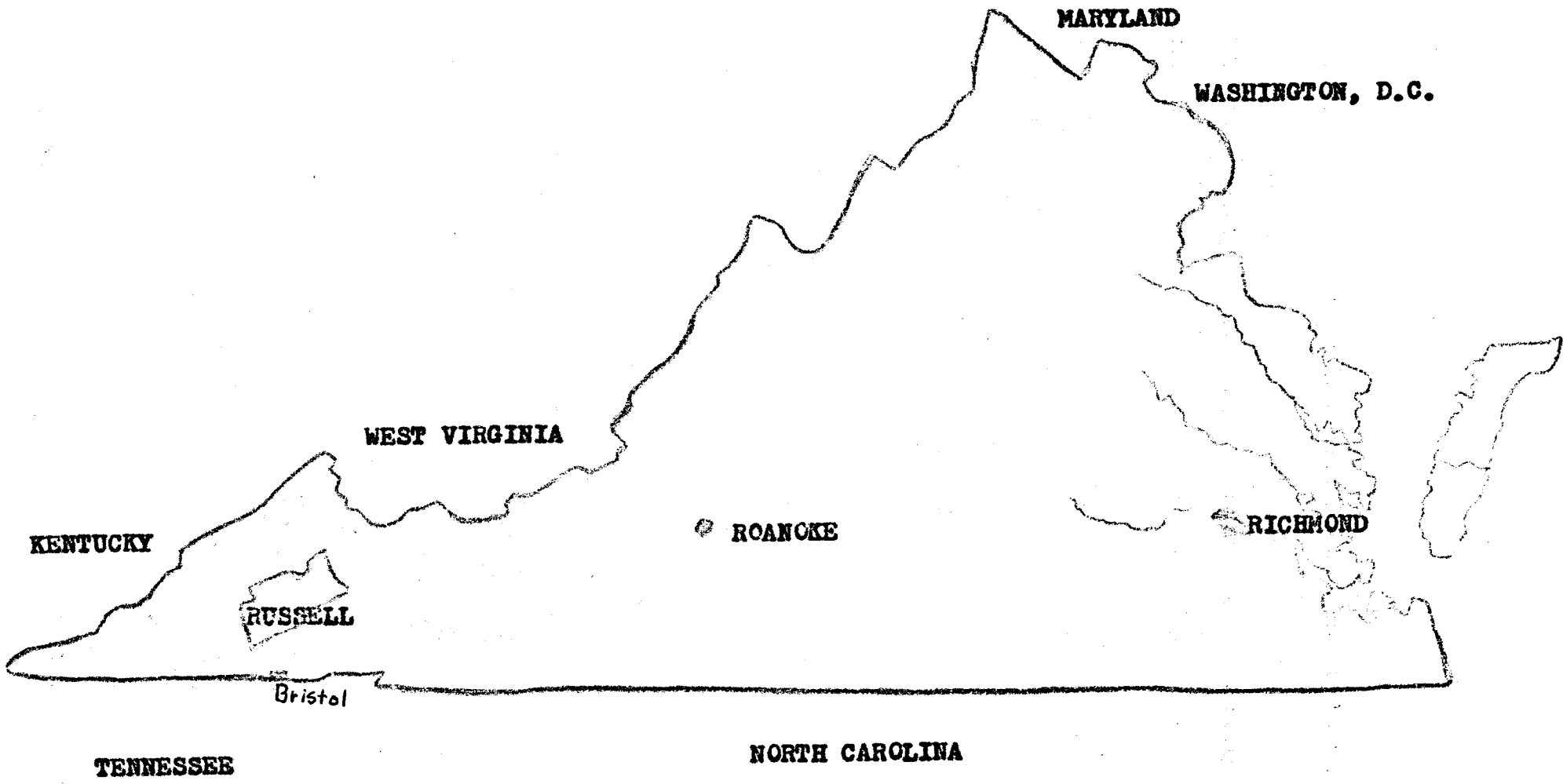
In 1964 President Lyndon Johnson injected a concept into the American society that represented a fresh approach to a problem that is as old as society itself. He toured the slums of Harlem, the impoverished mining camps in West Virginia, and the infertile farms of the share-croppers in Alabama; and he decided that poverty could be, and must be, driven from this land. Thus he began his war on poverty.

The purpose of this paper is to describe the economic, social, and political conditions in Russell County that have caused it to be classified as a depressed area by the Departments of Commerce and Labor. The years 1950 to 1966 were selected by this writer because it seems that the poverty of the people of the county began emerging immediately after the Second World War and has become more pronounced since that time. For historical and comparative purposes, certain aspects of the county's development from 1900 to 1950 have been included; however, they have been held to a minimum, and they are of only secondary importance to the paper.

This writer has more than an academic interest in Russell County. He was born and reared there, his wife is a native of the county, and his parents still reside there.

Thus, he has a particular interest in the county's well-being.

The map below indicates the geographical location of Russell County.



CHAPTER I

A BRIEF HISTORY OF RUSSELL COUNTY

Russell County was created on May 1, 1786, by an act of the Virginia General Assembly. Previously, it had been part of Washington County but General William Russell, a Washington County delegate to the Assembly, advocated the creation of a new county and the General Assembly granted his request. The new county subsequently honored him by adopting his name--at his request--not only to reward him for his efforts in obtaining an independent status for the county, but also because he was the hero of the Battle of King's Mountain, and a brother-in-law of Governor Patrick Henry.

Russell County, which has a land area of 483 square miles, lies in the Valley and Ridge Province. The long crest of Clinch Mountain in the Alleghenies forms the southern boundary, and the ridges of the Appalachian Plateau extend into the northern and western parts. In the valleys between flow the Clinch River and several large creeks. Elevations above sea level vary from 1,200 feet along the streams to 4,208 feet on Hayter Knob of Clinch Mountain. Temperatures average 37° in January and 74° in July. Precipitation amounts to slightly less than 50 inches

per year.¹

The natural resources of the county include approximately 85 square miles of bituminous coal of the "Pottsville group of the Pennsylvanian series of the Carboniferous Age."² Limestone, dolomite, clay, and shale underlie much of the county. Small deposits of manganese ore, barite, limonite, lead, and zinc are present. Also, there are approximately 143,000 acres of forests, but little of it is of commercial value.³

Geographically, Russell County lies almost directly south of Detroit, Michigan. It is closer to the capital cities of Georgia, Kentucky, North Carolina, Ohio, South Carolina, Tennessee, and West Virginia than it is to Richmond.

The county's government was organized on May 9, 1786, at Castlewood and held its first meeting in the house of William Roberson. The following year the county seat was

¹Industrial Sites and Economic Data on Russell County, Virginia, A Report prepared by the Department of Conservation and Economic Development (Richmond: July, 1961), p. 54. Hereafter cited as Economic Data. Russell County was formerly part of Augusta County from 1745 to 1769, Botetourt County 1769 to 1772, Fincastle County 1772 to 1777, and Washington County from 1777 to 1786.

²Jean Gottman, Virginia at Mid-Century (New York: Henry Holt & Company, 1955), p. 384. Hereafter cited as Gottman, Virginia at Mid-Century.

³Ibid., pp. 56-57.

moved to Dickensonville where Henry Dickenson, the first clerk of the county, had built a small 20' X 24' courthouse on a tract of land which had been granted to him by the King of England. Dickensonville remained the county seat for 31 years. In 1818, the county seat was moved to its present site at Lebanon. It has remained there undisturbed, except for a minor fire in 1872, and a complete renovation of the old courthouse building in 1959.⁴

Politically, Russell County maintains the traditional form of county government--that is, it is governed by a Board of Supervisors who are elected for a four year term by popular vote in their respective magisterial districts. The members of the Board select a chairman from among themselves. Sherman Wallace is currently the Chairman of the Board and has served in this capacity for the past ten years. The Board meets the first Monday of each month to conduct the county's business. The members receive a salary of \$1,800 per year and the chairman receives an additional \$1,200 per year for his services.⁵

⁴U. S. Department of Agriculture, 1962 Annual Report of Russell County, Agriculture Stabilization and Conservation Service, 1963, p. 1.

⁵The Lebanon News, July 8, 1964, p. 1. The Lebanon News is a weekly newspaper edited and published by Ellwood Bausell of Lebanon, Virginia. Prior to July, 1964, the salary of the Supervisors was \$900 per year. The Supervisors met in executive session and voted to increase their

There are seven magisterial districts in Russell County and one supervisor is elected from each.

TABLE I
MAGISTERIAL DISTRICTS AND SUPERVISORS

District	County Supervisor
Castlewood	Lon Dooley
Cleveland	Sherman Wallace*
Copper Creek	Dan Mason
Elk Garden	Alma Barnette
Lebanon	Roy Smith
Moccasin	William Tate
New Garden	Bruce Yates

Source: Report of the Secretary of the Commonwealth, 1963-1964.

salary. The increase became effective upon passage, but no provisions had been made in the 1964-65 budget to cover the added expenditures.

George A. Pruner, the Commonwealth's Attorney, informed the Board that he thought the salary increase was illegal, and he asked State Attorney General R. Y. Button for an advisory opinion. Button subsequently said that the increase was legal but the method employed by the Board was contrary to the statutes.

The upshot of the entire event was that the Board nevertheless received its raise. However, the public became incensed at the Board's arbitrary action and the political opponents of the members indicated that it would make good ammunition in the next election.

George Long, executive secretary of the League of Virginia Counties, said that "the traditional form of county government is becoming outmoded, that the countywide view is now needed, not just thinking in terms of the magisterial districts as being isolated." He also indicated that the trend today is to hire a county administrator--manager, executive, or secretary--to enforce the policies of the Board of Supervisors and to handle the day-to-day routine affairs of the county.⁶

Unfortunately, Russell County's leaders have not given any indication that it will follow this trend. The real tragedy of this somewhat reticent attitude is that the management of the affairs of the county could easily fall into the hands of completely incompetent persons.

Under the existing statutes the only prerequisite for holding public office is that one be a registered voter of the county. A bill which was introduced in the 1966 session of the General Assembly by Delegate Rufus McCoy of the Russell-Dickenson District would have required Board members to have at least a high school education; however, the bill was soundly defeated.⁷ Thus, persons with little or no education or political competence could conceivably determine

⁶Richmond Times-Dispatch, August 26, 1965, p. 2.

⁷Ibid., March 3, 1966, p. 3.

the economic, social, educational, and political policies of the county.

One popular theory holds that any prerequisites for holding public office should be omitted whenever possible because they limit the rights of the people and tend to remove the government from them, which is contrary to the American system of government. However, not discounting the fact that many uneducated people have become invaluable community leaders, the holders of this theory believe that uneducated people are not as capable of formulating the overall policies which are exigent for progress as educated people are capable of doing. Therefore, they would have endorsed Delegate McCoy's proposal because tyranny by ignorance is as devastating as tyranny by the dictator.

Table II indicates another salient inequity which has existed in Russell County for more than 80 years. It renders the above statement even more foreboding.

One can readily see the inequity of the existing magisterial apportionment in Russell County. The New Garden District, the most populous of all the districts, contains almost one-third of the total population while the Moccasin District, the least populous of the districts, contains less than one-twentieth of the population. Yet each is represented equally on the Board of Supervisors. The following example indicates the kind of political atrocities

TABLE II
POPULATION OF RUSSELL COUNTY BY MAGISTERIAL DISTRICTS

District	1900	1910	1920	1930	1940	1950	1960
Castlewood	3381	6125	8140	7766	7428	7401	6837
Cleveland	1594	2060	2346	2286	2125	1857	1841
Copper Creek	1750	1899	1858	1872	2200	2087	2000
Elk Garden	2406	2270	2272	1942	2016	1854	2007
Lebanon	2417	2786	2942	2877	3439	3715	4180
Moccasin	1753	1736	1502	1637	1167	1421	1171
New Garden	4730	6598	7726	7577	8252	8483	8254
Total	18,031	23,407	26,786	26,957	26,989	27,640	25,831

Source: The Lebanon News, May 11, 1966, p. 1.

which can occur in a mal-apportioned political entity.

At their regular meeting in May, 1966, the Board of Supervisors voted by a four to three majority to deny a request for funds to construct a county library building. The four members who opposed the request represent only 9,199 people. The remaining three members who favored the request represent 17,091 people.⁸

Ellwood Bausell, the editor of The Lebanon News, has suggested that the county should be reapportioned and the total membership of the Board of Supervisors be reduced to three. This would save the county more than \$10,000 annually in payroll expenditures and put it in line with adjacent counties.⁹

In fairness to the present board of supervisors it should be noted that they did not create this mal-apportioned situation. It has existed for more than 80 years. Yet, they must accept the responsibility if it is allowed to continue since it has been publicly called to their attention.

In addition to the board of supervisors, the people elect the following county officials (see Table III, following page).

Delegate McCoy introduced an additional bill in the

⁸The Lebanon News, May 11, 1966, p. 1.

⁹Ibid.

TABLE III
ELECTED COUNTY OFFICIALS

Office	Term	Incumbent
County Clerk	8 years	George Cozzolino*
Commonwealth's Attorney	4 "	George Pruner
Sheriff	4 "	Guy Whited
Treasurer	4 "	Woodrow Barrett
Commissioner of Revenue	4 "	Roosevelt Ferguson

*Mr. Cozzolino was appointed to fill the unexpired term of Ben Bundy who died on March 12, 1966.

Source: Report of The Secretary of the Commonwealth, 1963-1964.

assembly which would have made the offices of School Board members and the County Judge elective; however, it, too, was defeated.¹⁰

¹⁰Richmond Times-Dispatch, March 3, 1966, p. 3. Under the traditional form of county government the circuit court judge appoints a school trustee board who appoint a school board. The circuit court judge also appoints the County Judge.

Paul W. Wager, professor of political science at the University of North Carolina, said that the traditional form, with its closed system of patronage, perpetuates the power of the party in office and almost invariably results in "rank amateurs, petty politicians, and men of limited ability" occupying public offices for long periods of time. See Paul

In summary, the history of Russell County has paralleled that of numerous other rural counties. It was not directly involved in either of the two great wars in America--the Revolutionary War or the Civil War--and it has produced no great military heroes. It was not gifted with a large variety of natural resources, and much of the area is unsuitable for agriculture. Finally, the mountain ranges which surround the county have not been conducive to political, social, and economic development; instead, they have served as a barrier which has isolated the entire county from the outside world.

W. Wager, "Local Government," in Thomas R. Ford, editor, The Southern Appalachian Region: A Survey (Lexington: The University of Kentucky Press, 1962), pp. 151-168. Hereafter cited as Ford, Southern Appalachian Region.

CHAPTER II

THE PEOPLE OF RUSSELL COUNTY

Contrary to popular belief, there is no typical hillbilly; or at least Professor J. C. Belcher of the University of Georgia, who conducted an extensive survey of the people of the Appalachian Region, could not find one.¹ Apparently this is merely an ambiguous term which has emanated from a limited vocabulary and a narrowly perceived perspective. It has no meaning as it is commonly construed. Not all of the people of the mountainous regions of Virginia live on hills and mountains; not all of them are ignorant and inarticulate; not all of them are indolent and remiss; not all of them are unkempt and sloven; and not all of them are moonshiners and alcoholics--most of which are traits that are usually suggested when one attempts to define a hillbilly. However, there are several customs which are habitually observed by many of the indigenous people, but these customs no more readily suggest the term hillbilly than tuckahoe suggests swamps or East Virginia.

It would be almost impossible to include a definitive list of all the customal practices in Russell County;

¹John C. Belcher, "Population Growth and Characteristics," in Ford, Southern Appalachian Region, p. 37.

however, some of the more common ones will be mentioned because they seem to have contributed to the misanthropic philosophy which has prevailed in this area for almost two centuries.

In 1940, Professors William E. Garnett and Allen D. Edwards completed an extensive sociological survey of the mountain folks of Virginia. They found the following traits to be characteristic of the majority of the people who were born and reared in the Virginia mountains prior to 1900.

1. The mountain people were extremely self-reliant, individualistic, involuntuous, and very sensitive.

2. They possessed a very pronounced fatalistic spirit with fallow, but emotional, religious overtones.

3. The people were extremely conservative and suspicious of new ideas and methods.

4. The father assumed autocratic authority. The women and children were relegated to low social significance.

5. The people had little or no formal education.

6. Folkways were firmly established and they were hostile toward book-learning.

7. There was no community spirit and the people did not widely participate in organized social and political activities.

8. They possessed a distinct dialect which differed

from that of any other area of Virginia. It resembled late 18th Century English.²

Professors Garnett and Edwards compared the customs of the near aborigines with those of the people who had been born or moved into the area since 1900 and arrived at the following conclusions.

1. Although still dominant, rugged individualism was less pronounced in the young.
2. The fatalistic spirit was less pronounced.
3. They were still very sensitive.
4. The young were less conservative and less thrifty.
5. They were less superstitious and less emotional in their religious practices.
6. The father became less authoritative and the women and children enjoyed improved social status.
7. Education had increased and folkways decreased.
8. There was still very little participation in organized community life.
9. The late 18th Century dialect was still dominant.³

Most of the above customs are self-explanatory; however, the last one needs to be explicated because Theodore

²William E. Garnett and Allen D. Edwards, Virginia's Marginal Population (Blacksburg: Virginia Agriculture Experimental Station, 1941), p. 37.

³Ibid., p. 38.

Sinclair of the Division of Industrial Development and Planning said that the mountain dialect has created an acute communication problem which has served as a deterrent to the economic development of the area.⁴

Some of the more common corruptions of standard usage are shown in Table IV.

The superstitious nature of the people to which Garnett and Edwards referred is both interesting and amusing. The following is but a partial list of the more common beliefs.

1. It is bad luck to walk under a ladder, and seven years bad luck to break a mirror.
2. If you kill a toad your cow will give bloody milk.
3. If you handle a toad you will get warts.
4. A falling star means someone is going to heaven.
5. A snake hung by its belly will bring rain.
6. Sauerkraut made during pregnancy will not kraut.
7. If the sun shines while it is raining the Devil is beating his wife.
8. Markings on a baby's body will indicate the best weening time.
9. Causing a baby to laugh aloud before it gets teeth

⁴Interview with Theodore Sinclair, Division of Industrial Development and Planning, Richmond: April 15, 1966, 11:00 A.M.--12:15 P.M.

TABLE IV
THE MOUNTAIN DIALECT

Colloquialism	Standard Usage
up'air	up there
airs	ours
us'a	used to
gwinn'	going
rite	right, write
git	get
tars	tires
het	heated
whar	where
dem	them
dist	just
dat	that

will cause it to stutter.

10. Snake root will cure a headache.

11. Stump water applied on the first of May will remove freckles.

12. A buckeye carried in the pocket will prevent rheumatism.

13. The warm blood of a black cat will cure almost any disease.

14. For strange or difficult to cure diseases one should visit the seventh child of a seventh child.⁵

A more recent, though less extensive, survey of the sociological conditions of Russell County was conducted by the Steering Committee of the Area Redevelopment Act. This committee was composed of seventeen local businessmen, political leaders, educators, physicians, ministers, farmers, and housewives. It found (1) that there was still very little community interest in the social affairs of the county, (2) that there was still a very low level of educational attainment, and (3) that the rugged individualism of erstwhile years now has been dissipated and a widespread feeling of "right to public assistance" by the economically

⁵W. C. Pendleton, A History of Tazewell County and Southwest Virginia, 1748-1920 (Richmond: W. C. Hill Printing Company, 1920), pp. 129 ff.

less fortunate has replaced it.⁶

Since the personality traits and customs of the inhabitants of Russell County have been presented, it would be cogent to include, as far as possible, the origins and types of people who settled the area.

According to Gottmann, the typical mountain resident "might be the descendant of immigrants from Scotland, North Ireland, Wales, Germany, England, or practically any country of Western Europe whose sons and daughters landed in Pennsylvania or Tidewater Virginia in the early 1800's and moved westward."⁷ Also, Professor Belcher has noted that there were no distinguishable Scotch-Irish, Anglo-Saxon, or other pure linguistic stocks who settled in the Appalachian region. He felt that the Appalachian region was a potpourri of the population of the country in the early 19th Century, without any particular race or linguistic stock dominating any particular area.⁸

It would be impossible to confirm or refute either of

⁶"Overall Economic Development Program for Russell County, Va.," an unpublished survey conducted by the Steering Committee under Area Redevelopment Act, 1962, pp. 16-21. Hereafter cited as "Overall Development."

⁷Gottmann, Virginia at Mid-Century, p. 393 f.

⁸Belcher, "Population Growth and Characteristics," in Ford, Southern Appalachian Region, pp. 38-53.

the above statements. However, the preponderance of similar names of counties and towns in a contiguous region indicates that similar stocks were dominant in these areas.

In addition to the names mentioned in Table V there are many others that indicate national origins which are unique in only one state in the Appalachian Region. For example, Magaffin County, Kentucky; Murray County, Georgia; Dublin, Virginia; McMinn and McNairy Counties in Tennessee; De Kale County, Alabama; and Scotland County, North Carolina.

One final observation should be made concerning the present ethnological composition of Russell County. There are few non-white and foreign-born people now residing in the county.

In 1960 less than two per cent (525) of the total population (26,290) were non-white. This represents a decrease of about one-third since 1950 in the non-white population.⁹ Fewer than one-fifth of the non-whites are between the ages of 20 and 30; and less than one-third are in the

⁹George Blume and Leland Tate, "Virginia's Changing Population" (Blacksburg: Agriculture Extension Service, Virginia Polytechnic Institute, Miscellaneous Publication No. 5, 1963), p. 10. At the beginning of the Civil War there were 1,099 Negro slaves and 51 freed Negroes in Russell County. The number of Negroes in the county has vacillated quite frequently since 1860. In 1880 there were 1,272 Negroes, but this number was reduced to 775 by 1930 (Leland Tate, An Economic and Social Survey of Russell County [Charlottesville, The University of Virginia Record. Extension Series], Vol. XVI, No. 1).

TABLE V
COMMON TOPONYMS IN APPALACHIA

Name	Location
Boone	Kentucky, Tennessee, West Virginia
Carroll	Kentucky, Tennessee, Virginia, Georgia
Clay	Alabama, Georgia, Kentucky, North Carolina, Tennessee, West Virginia
DeKalb	Alabama, Tennessee, Georgia
Floyd	Georgia, Kentucky, Virginia
Grundy	Kentucky, Tennessee, Virginia
Knox	Kentucky, Tennessee
*Lee	Alabama, Georgia, Kentucky, North Carolina, Tennessee, Virginia
Marion	Kentucky, Tennessee, Virginia
McCreary	Kentucky, Tennessee
McDowell	North Carolina, West Virginia
Polk	Georgia, Kentucky, Tennessee
Powell	Kentucky, Tennessee, Virginia
Russell	Alabama, Kentucky, Virginia
Scott	Kentucky, Tennessee, Virginia
Smyth	Kentucky, Tennessee, Virginia
Welch	Kentucky, West Virginia

*These counties took the name of Lee long before General Robert E. Lee became famous.

Source: World Atlas.

5 to 19 age group.¹⁰ This apparently indicates that the non-white population in Russell County will decrease at an even more rapid pace during the next decade. This is also the trend for the entire state.¹¹

According to Professor Belcher, more than 99 per cent of the residents of the Appalachian Region were born in this country. Of the less than one per cent who were not born here, more than 60 per cent lived in West Virginia. Most of these immigrants came from Italy, Poland, and Hungary and subscribed to the Roman Catholic faith.¹² Since there are no Catholic churches or Jewish synagogues in Russell County, it is unlikely that very many of the recent immigrants settled there. In fact, in 1960 only two-tenths of one per cent of the residents of Russell County were foreign born, and only four-tenths of one per cent were natives with foreign born parents.¹³

¹⁰George Blume, "Virginia's Rural Youth" (Blacksburg: Agriculture Extension Service, Virginia Polytechnic Institute, January, 1963), p. 2.

¹¹Lorin Thompson, "Virginia Population Changes: Age and Color, 1960 and 1970," in the University of Virginia News Letter (Charlottesville: The Bureau of Public Administration, June 15, 1961), Vol. XXXVII, No. 10, p. 7.

¹²Ford, Southern Appalachian Region, p. 47.

¹³U. S. Bureau of Census, County and City Data: A Statistical Supplement (U. S. Government Printing Office, Washington, D. C.), pp. 382-392. Hereafter cited as County and City Data.

To recapitulate briefly, the people of Russell County seem to be strongly Protestant, firmly established in their folkways, almost wholly Caucasian and indigene, and apparently lacking in community interest and collective initiative.

It is unlikely that the customal practices of the people of Russell County will be modified a great deal in the near future because, as indicated in the following chapter, the current population trend is for the younger and better educated persons to migrate from the area, leaving the older and poorer educated persons to continue their idiosyncrasies.

CHAPTER III

POPULATION TRENDS SINCE 1900

When the economy of any area can no longer provide adequate opportunities for its total population, the people have three alternatives from which to choose. Firstly, a person may leave the area and seek his fortune elsewhere. Secondly, he may remain and hope that society will assist him. Thirdly, he may remain and become the victim of what Herbert Spencer called his weakness, age, or infirmity. Fortunately for many, Spencer's survival of the fittest philosophy has not been widely accepted in this society. Thus, only the first two alternatives have practical application and each has been employed in Russell County--the first more often than the second.

Population growth in Russell County has been somewhat erratic. In most instances it seems to have responded in direct proportion to the availability of economic opportunity. Between the decades 1870 and 1910, the population was more than doubled. From 1910 to 1920 it increased by 14.1 per cent; however, it declined by approximately 3.1 per cent the following decade. Slight increases were recorded for the 1930 to 1950 period, but a decline of more

than 2 per cent occurred the following decade.¹ The exact population figures for the 1870 to 1960 period are contained in Table VI.

The greatest percentage of increase in the population occurred during the 1870 to 1920 period. Paralleling this population increase was the rapid development of coal mining in Russell County and the Southwest Virginia area.

Table VI also indicates that the population declined from 1950 to 1960 when the coal mining industry rapidly decreased. If viewed in the particular, this 2 per cent decrease does not appear to be too significant. However, when the overall state-wide perspective is considered, it becomes increasingly alarming.

During the 1950 to 1960 decade, Virginia's total population increased by 19.5 per cent. The crude birth rate increased 7 per cent to give an average of 25.5 births per 1,000 population. The crude death rate was down by 12.4 per cent to 8.5 per 1,000 population. Also, in the Metropolitan Corridor where most of the population growth has occurred, at least one-third of it can be attributed to inward migration.²

¹Report of the Secretary of the Commonwealth, 1962-63 (Richmond: Department of Purchases and Supply, 1963), p. 189.

²Lorin A. Thompson, "Recent Population Changes in Virginia," in the University of Virginia News Letter (Charlottesville: Bureau of Public Affairs, University of Virginia, February 15, 1961), Vol. XXXVII, No. 6, p. 3.

TABLE VI
POPULATION GROWTH 1860-1960

Decade	Population	Increase or Decrease	Per cent of Increase or Decrease
1860-1870	11,103	823	7.0
1870-1880	13,086	1,983	15.4
1880-1890	16,126	3,040	16.0
1890-1900	18,031	1,905	11.8
1900-1910	23,474	5,443	30.2
1910-1920	26,786	3,312	14.1
1920-1930	25,957	- 829	- 3.1
1930-1940	26,627	670	2.6
1940-1950	26,818	191	0.7
1950-1960	26,290	- 528	- 2.0

Source: Report of the Secretary of the Commonwealth, 1962-63.

During the same decade in Russell County, the birth rate declined from a high of 27 per 1,000 population in 1950 to 18 in 1960. It was 17.6 per 1,000 population in 1964.³ Instead of having an inward migration as the state had, Russell County lost 5,018 people through outward migration.⁴ This was about 18 per cent of the total population. However, natural increase through births offsets all but 2 per cent of the decrease, but the continuing outward migration and declining birth rate will soon create an even larger gap.

Table VII is a demographic survey indicating the difference in age distribution for the state and Russell County. An analysis of this survey indicates that Russell County is more dependent upon a smaller percentage of its total population for its economic livelihood than the remainder of the state, and the trend is even more in this direction. For example, the county has 5 per cent more dependent children than the state average. It has 6 per cent fewer people in the more productive age categories of 18 to 64, and it has more than 1 per cent less productive persons in the over 65 age bracket. In the under 5

³Statistical Annual Report of the Virginia State Department of Public Health, 1950 through 1964, et passim.

⁴County and City Data, p. 393.

TABLE VII

AGE DISTRIBUTION FOR STATE AND COUNTY BY PER. CENT*

Age Group	State	County
Under 18	37. %	42. %
18-64	56.	50.
Over 65	7.	8.
Under 5	11.6	11.4
5-19	28.6	30.6
20-29	13.6	11.7
30-64	38.9	38.3
Median Age	27.1 years	23.5 years

*Age distribution is an important factor in determining the economic potential, educational needs, and the governmental needs of a political entity.

Source: Blume and Tate, "Virginia's Changing Population."

years and the 20 to 29 years age groups, Russell County has .2 per cent and 1.9 per cent, respectively, fewer people than the state average. The overall state trend is toward more people in these age groups.⁵ Also, a check on the ages 10 to 14 in 1950 with the corresponding ages of 20 to 24 in 1960 shows a gain of 8 per cent for the state but a loss of more than 50 per cent for the Russell area.⁶ If this trend continues, it is conceivable that Russell County would have no population by the year 2050 A.D.

Professor Lorin Thompson of the University of Virginia estimated that Russell County has been losing approximately 500 people per year since 1960 through outward migration. Most of these out-migrants are recent high school graduates who are potential parents.⁷ This outward migration of Russell's youth will likely increase during this decade because the large number of children who are approaching the age of 19 will be unable to find employment within the county.

Lon Dooley, a member of the Board of Supervisors, has noted that over 60 per cent of the recent high school

⁵Blume and Tate, "Virginia's Changing Population," p. 26f.

⁶Southwest Virginia: A Case for Economic Growth. A report prepared by the Governor's Office of the Division of Industrial Development and Planning, March 7, 1966, p. 36. Hereafter cited as Southwest Virginia.

⁷The Lebanon News, October 9, 1963, p. 1.

graduates have left the county to seek employment. From 1961 to 1965, 1,247 students were graduated from Russell's schools. Of this total number of graduates, 261 went to college, 826 left the county, and 369 remained in the county. He estimated that approximately 20 per cent of the college graduates will be able to find employment in Russell County. Thus, only one-third of the 1,247 graduates will be able to live in their native county. The remaining two-thirds must find employment elsewhere.⁸ The Division of Industrial Development and Planning has noted that this outward migration of the younger and better educated people is one of the county's most serious problems.⁹

Table VIII indicates the total outward migration from 1950 to 1960.

It should be noted that outward migration is not unique with Russell County. All of the seven Virginia counties in the Appalachian Region have experienced it, and some of them were almost decimated during the 1950-1960 decade. However, the birth rate declined much more rapidly in Russell County

⁸ Ibid., April 13, 1966, p. 1.

⁹ Southwest Virginia, p. 62.

TABLE VIII
NET MIGRATION BY AGE AND SEX FROM 1950 TO 1960

Age (1960)	Male	Female	Total
0- 4	44	- 4	40
5- 9	-124	- 85	- 209
10-14	-144	-176	- 320
15-19	-309	-363	- 672
20-24	-724	-720	-1,444
25-29	-578	-531	-1,109
30-34	-268	-189	- 451
35-39	-146	- 94	- 240
40-44	- 31	- 47	- 78
45-49	- 63	- 86	- 149
50-54	-120	-103	- 229
55-59	3	- 53	- 50
60-64	- 12	- 17	- 29
65-69	17	6	23
70-74	4	- 36	- 32
75-	11	- 79	- 68
Totals	-2,442	-2,576	-5,018

Source: Southwest Virginia: A Case for Economic Growth.

than it did in the other counties.¹⁰

A special census study on mobility shows that one-fourth of the out-migrants moved to other areas of Virginia. The single largest movement was to the areas of Bristol and Roanoke. The largest out-of-state migration was to the Midwest which accounted for one-fourth of the total--half of this movement was to Ohio alone. The remaining out-migrants moved to West Virginia, Kentucky, Tennessee, Florida, and California.¹¹ The study also indicated that many of the out-migrants would return to the area if employment should develop there.

In summary, the population trend in Russell County is toward an older, less productive, and more poorly educated society. The outward migration of the younger and better educated people will probably increase during the next decade because of the absence of economic opportunity. Also, the birth rate will likely decline because the young women are leaving the area at a slightly more rapid rate than the young men. In short, if the above trend is not reversed, Russell County could become a ghost county within a few generations.

¹⁰Ibid., pp. 65-69. Wise County lost 17,896; Lee lost 15,113; and Tazewell County lost 12,262. Combined, the seven county area lost 72,824 people during the period. Lee County had a lower birth rate than Russell County but the latter had a faster rate of decline.

¹¹Ibid., p. 37.

CHAPTER IV

EDUCATION

When the people of any political entity accept the status quo and place more emphasis upon personal indulgence and individual voracity than they place upon community development and general welfare, something must be immolated. In Russell County public education has been the sacrifice. The county leaders have not in the past and are not presently meeting the educational needs of the young.

Elementary education in Russell County is accomplished through a series of 18 public schools, the largest of which is Honaker Elementary with more than 900 enrollees. The smallest is Lebanon Elementary for Colored which has a total enrollment of 9. The number of elementary schools in the county was recently reduced when 4 one-room multi-grade schools were consolidated with the Honaker Elementary School in 1965. However, two of the 18 schools are still one-room multi-grade schools because "they are located in remote areas and inaccessible by bus."¹

It seems that 18 schools would be sufficient to accommodate the elementary school-age population of a county of 26,000 people. However, apparently such is not the case

¹The Lebanon News, April 8, 1965, p. 1.

because many of the school plants are small, understaffed, and have inadequate facilities. For example, the parents of students at Swords Creek and Grassy Creek have been complaining about overcrowding for more than two years; and at Lebanon, two mobile homes were converted to classrooms to alleviate the overcrowding problem. Also, the pupil-teacher ratio is extremely high. At Oak Grove the ratio is 39-1; at Clinch River it is 36-1; and at Swords Creek the ratio is 35-1. In the remaining schools it is about 30-1.²

G. H. Givens, Superintendent of Russell County schools from 1926 to 1964, said in 1955, "Unless overcrowding is stopped and qualified teachers are hired, we face a complete breakdown in our public schools. More than one-third of our teachers are non-degree teachers who hold emergency certificates."³

There are five high schools in the county and all but one are accredited by the State Board of Education. The largest is Castlewood High with almost 700 students, and the smallest is Arty Lee High School for Colored with an enrollment of about 60. It is not accredited by the State Board

²Annual Report of the Superintendent of Public Instruction, State Board of Education, Volume XLVII, September, 1964, p. 296, et passim.

³The Lebanon News, May 26, 1955, p. 1.

of Education. However, it will cease to exist as a high school after 1966 because the County Board of Supervisors voted to comply with the 1964 Civil Rights Act.⁴ All told, these schools graduate approximately 300 students per year.

Enrollment in Russell's schools has remained fairly constant since 1950. Between the years 1950 and 1955, the average enrollment was about 6,800; between 1956 and 1960 it was slightly more than 6,900; and in 1965 it was more than 7,000.⁵ However, the schools have been plagued with a tremendously high drop-out rate. According to the report of the Steering Committee under the Area Redevelopment Act, about 70 per cent of the pupils entering first grade do not graduate from the school system.⁶

Besides having a high drop-out rate, Russell County also has fewer of its school age children enrolled in school. In the 7 to 13 age bracket, only 90 per cent are enrolled. For ages 14 to 15 and 16 to 17 only 70.5 per cent and 52.7 per cent, respectively, are enrolled. These are the lowest averages of the entire Southwest Virginia area. The state averages for the same three age groups are 96.3, 89.8, and

⁴Ibid., May 26, 1965, p. 1.

⁵Letter from Mr. A. P. Levicki, Superintendent of Russell County Schools, March 10, 1966.

⁶"Overall Development," p. 18.

72.8%. It would be difficult, if not impossible, to include all of the reasons for this lack of enrollment by all school age brackets. However, a few of the more salient reasons are included below.

Immediately after the Virginia General Assembly repealed the compulsory school attendance law in 1959, 86 students below age 16 withdrew from school.⁷ Apparently, many of the students are lacking in motivation. Yet, it seems that the situation is more complex than mere lack of desire. Lack of parental guidance, disrespect for book-learning, an incompetent or ineffective political leadership are also major factors. These are serious allegations; however, they can be substantiated without a great deal of difficulty. Taken in the order of their presentation, some interesting and conclusive facts are revealed.

Firstly, the fact that more than 70 per cent of the first grade pupils do not remain in school long enough to graduate from the systems is prima facia evidence that there is a serious lack of motivation. A student who is interested in acquiring knowledge and intellectual skills will not resign himself to the acceptance of the academic failure as 70 per cent of those in Russell County have done. Also,

⁷The Lebanon News, March 5, 1959, p. 1. The compulsory attendance law was reinstated in 1961.

only about 20 per cent of those who do graduate attend college. Money, or lack of it, could be partly responsible for the small number of graduates who attend college; however, with the large number of scholarships that are available to prospective college students, it is unlikely that lack of money is the greatest single factor. Finally, since 10 per cent of the 7 to 13 age group, 30 per cent of the 14 to 15 age group, and 47 per cent of the 16 to 17 age group have never enrolled in school, it is a good indication of lack of motivation on behalf of the children, improper guidance on the part of the parents, and dereliction of duty by the county officials.

Secondly, the low level of educational attainment among the adults in Russell County apparently serves as a deterrent, or at least has a detrimental effect upon the young. The median years of school completed for persons 25 years of age and older is among the lowest in the state. In 1940 it was 6.5 years, in 1950 it was 6.8 years, and in 1960 it was 7.3 years. This snail's pace increase was insufficient even to keep up with the state's average which was 7.7, 8.5, and 9.9 years, respectively.⁸ Apparently, the low level of educational attainment in Russell County can be attributed to a previously open market in the coal fields

⁸Southwest Virginia, p. 28.

for unskilled and uneducated labor where many of the young males who had withdrawn from school found jobs. However, the market for unskilled and uneducated labor has rapidly diminished, but the high school drop-out rate has remained constant.

Another factor which indicates lack of parental guidance and demand for more education for the children of the county was pointed out in a previous chapter. The mountain people simply do not respect or demand book learning. Their conception of a day's work is manual labor from dawn until dusk, and this is cascaded over into the schools in the form of unusual emphasis upon athletic achievement. In fact, one school official remarked that many young boys with covert talents were particularly reticent about joining the high school band or making good grades because these are called "sissy's" games.⁹

Thirdly, it seems that the political solons of Russell County have provided neither competent leadership nor enlightened policies concerning its educational needs. They have failed to take advantage of local resources and outside guidance.

During the 1949-50 period when relative prosperity and near full-employment were present, the county was spending

⁹The Lebanon News, March 8, 1965, p. 1.

less than \$94 per pupil in average daily attendance in its public schools.¹⁰ For the same period the state average was about \$133 and the national average was more than \$216.¹¹ This apparently represents a lack of initiative and concern for education.

By 1958 the per-pupil expenditures had increased to \$157 in Russell County, \$256 in the state, and \$437 in the nation. While the \$157 marked an increase of \$63 over the 1950 average, it remains in an abyss when compared to the \$437 national average. By 1965 the per-pupil expenditures had increased to \$289 in Russell County. However, the gap between local and national expenditures remained about the same.¹²

Another area in which Russell County is lagging behind the state and national averages is in teacher's salaries. In 1962 the average salary for teachers in Russell County was \$4,578. The state average was \$4,746, and the national

¹⁰Letter from Mr. A. P. Levicki, Supreintent od Russell County Schools, March 10, 1966.

¹¹"Economic Data on Russell County," A Report prepared by the Governor's Office of the Division of Industrial Development and Planning, 1964, and Ford, Southern Appalachian Region, p. 190.

¹²Letter from A. P. Pevicki, Superintent of Russell County Public Schools, March 10, 1966, and the Annual Report of the Superintendent of Public Instruction--Virginia (State Board of Education, 1964-1965), Vol. XLVIII, 1965, p. 328; and Ford, Southern Appalachian Region, p. 190.

average was \$5,700.¹³ With an average salary that is some \$1,100 below the national average, it is not unusual that Russell has a large number of non-degree teachers. In fact, in 1961 there were 14 teachers who held Master's degrees, 133 with Bachelor's degrees, and 102 who held no degree, but who were employed with special permits or emergency certificates.¹⁴ The situation had improved only slightly by 1965.

The curricula and facilities of the schools are lacking in both quality and quantity. For example, there are no foreign language or physics laboratories with modern equipment. The students are limited in their choice of foreign languages because only Latin and French are offered. Advanced mathematics is noticeably missing from the curricula, and physics was not offered until after 1960. Also, the county did not adopt the 12 year school system until 1957.¹⁵

In some of the elementary schools, particularly the smaller and more remote one-room multi-grade schools, there were no indoor plumbing facilities prior to 1960. Outdoor

¹³Report of the Superintendent of Public Instruction--Virginia - 1962-1963, State Board of Education, Vol. XLVI, September, 1963, p. 292.

¹⁴The Lebanon News, February 7, 1961, p. 1.

¹⁵The 12 year school system was used in Russell County until 1930, at which time it was discarded and the 11 year system was employed; thus eliminating the junior high schools (Tate, An Economic and Social Survey of Russell County, p. 70).

plumbing was accomplished through small wooden buildings located some distance from the school plants. The odor emanating from these outside toilets was hideous and, to say the least, they were unsanitary.

As a child, this writer attended Swords Creek Elementary school from 1946 through 1953 and no indoor plumbing facilities were available during his tenure, even though approximately 300 students were housed there. However, when the building was expanded in 1955, indoor plumbing facilities were included.

Another example of the Board of Supervisors' indifferent attitude toward education occurred in January, 1966, when they refused to purchase a building to house the county library. In May, 1966, they refused to appropriate funds to construct a library building. Instead, they decided to submit the issue to the voters in the November election. Ellwood Bausell said that this action was completely unprecedented in both Russell County and state history.¹⁶

In the area of school finances, the county has been in almost constant trouble. Literary loans and special loans to the School Board have been prosaic. In June, 1963, the State Board of Education announced that Russell County would lose more than \$30,000 in state aid to education if the

¹⁶The Lebanon News, May 11, 1966, p. 1.

county did not meet the 30 per cent minimum operational cost set by the state. It met only 28.5 per cent of the minimum standard. In September, 1963, the State Board said that Russell County would lose more than \$400,000 if it did not meet the state minimum operational requirements. It did not meet them.¹⁷

The root of the financial problems in Russell County is the Board of Supervisors. They have failed to meet the educational needs of the county! They boast of a low tax rate. Indeed, Russell County has the fourth lowest true tax rate in the state, but too much has been sacrificed to obtain it. The State Board withheld more than \$400,000 in state funds from the county because its local effort was insufficient.

The minimum requirements set by the State Board provide that a county must have a true tax rate of \$.60 per \$100 assessed value on all real estate. In 1963, Russell's true tax rate was only \$.25 per \$100 assessed value.¹⁸ By 1965 it had been increased to \$.41 per \$100 assessed value--the assessment ratio is a low 15.3 per cent of the fair market value--but this is still far below the state average of \$.99 per \$100 assessed value--assessed at a ratio of

¹⁷Ibid., June 5, 1963, p. 1, and September 4, 1963, p. 1.

¹⁸Ibid., September 4, 1963, p. 1.

33.3 per cent--and far below the state's minimum requirement.¹⁹

In addition to state aid to education, the county receives large sums of federal aid. In 1965 it received more than \$500,000 in federal grants. In 1966 approximately \$1,000,000 has been granted to it under the Elementary and Secondary Education Act of 1965.²⁰

The total school budget for the 1965-1966 school year was \$2,462,008. Of this amount more than half came from state and federal sources.

Finally, Russell County has grossly neglected the educational needs of its colored citizens. Heretofore, the colored students of Russell County attended segregated schools at Arty Lee School at Dante, Virginia, and the Lebanon Elementary School for Colored. Arty Lee High School has never been accredited by the State Board of Education.²¹ When the Supreme Court reversed the long-standing "separate but equal" rule of the Plessy vs. Ferguson case with the 1954 Brown vs. the Board of Education of Topeka

¹⁹Real Estate Taxes in Virginia, A Report prepared by the Department of Taxation, May 15, 1965.

²⁰The Lebanon News, March 16, 1966, and April 13, 1966, p. 1.

²¹Annual Report of the Superintendent of Public Instruction, 1962-1963, p. 77. In 1956 the School Board announced that all county high schools were accredited by the State Board of Education. The Lebanon News, March 8, 1956, p. 1.

decision, the political and educational leaders of Russell County feared that their segregationist policy would soon fall. In May, 1955, G. H. Givens, the Superintendent of Russell County Schools, said ". . . we are also facing the complete wreckage of our public schools due to the recent ruling of the Supreme Court."²² In December the Board said that it favored a state amendment to the constitution which would allow segregation to continue.²³ When the proposed amendment failed to pass, the General Assembly repealed the compulsory school attendance law which required all children below age 16 to attend school. Russell County immediately repealed its law and announced that no one would be required to attend its public schools. Thus the Board and the state, once again, demonstrated their lack of concern for education by placing a low premium on education and a high premium on racial segregation. The irony of the whole affair is that there were fewer than 100 colored children in the entire county school system.

In 1965 the School Board decided to comply with the provision of the 1964 Civil Rights Act rather than lose the federal aid to education which it had been receiving, and the Board of Supervisors acquiesced. The certificate

²²The Lebanon News, May 26, 1955, p. 1.

²³Ibid., December 22, 1955, p. 1.

of compliance which is required of all political subdivisions by the Department of Health, Education, and Welfare, under the auspices of the Civil Rights Act, necessitates the integration of at least four grades the first year and total integration subsequently. Russell County integrated the first, eighth, eleventh, and twelfth grades in 1965-1966. It plans to have total integration by the 1967-1968 school year.²⁴

Vocational Education is an area in which the present Board of Supervisors have indicated that they have temporarily jettisoned the misoneistic yoke that has been a fardel for many years. In 1964, the Board established the Vocational-Technical Training School at Cleveland, Virginia. The school is designed primarily to permit those Junior and Senior students who do not want an academic education to develop a skill along some other line. Currently there are slightly more than 200 students enrolled in the seven trade courses that are offered--automobile mechanics, electricity, drafting, masonry, carpentry, welding, and cosmetology.²⁵

These are indeed encouraging marks of progress; however, there are two large areas which have not been reached

²⁴Ibid., May 5, 1965, p. 1.

²⁵Ibid., April 13, 1966, p. 1.

that should be reached.

First, as the demographic survey in Chapter 3 indicates, the young women of Russell County are out-migrating at a more rapid rate than the young men, yet, only drafting and cosmetology are open to the young ladies at the Vocational-Technical Training School. While a few basic secretarial courses are offered in the high school curriculum, no advanced courses are offered and the young ladies are not competent to compete for jobs in business.

Second, very little has been done to encourage adults and school drop-outs to continue their education. At the present time only auto mechanics and welding are open to adults and high school drop-outs over 16 at the evening division of the Training School, and a tuition fee is imposed upon them.²⁶

It seems that in an area in which the average educational attainment for adults is only 7.3 years, there would exist a tremendous potential for adult education and retraining, and that the educational and political leaders of the county would attempt to exploit it. However, that apparently has not been the case in Russell County. Yet, all of the economic surveys of Russell County which have been cited in this paper indicate that education, or lack of it,

²⁶Ibid., September 10, 1964, p. 1.

is the basic problem of the area and the main reason for its economic impoverishment. Also, a 1957 report prepared for the Joint Economic Committee of the U. S. Congress indicated that 67 per cent of the low-income population of the nation were characterized by a low level of education and showed a high degree of immunity to economic growth.²⁷

When the state and local governments are derelict in their duties, the federal government comes to the aid of their citizens. In the summer of 1965 a program was launched to give the economically deprived children of Russell County the benefit of pre-school education. The program, "Head Start," was totally financed by the federal government except for 10 per cent of the administrative cost which the county supplied. Eleven kindergarten centers were established to accommodate 527 children. The children received complete medical and dental examinations, a hot meal each day, transportation to and from the center, and eight weeks of concentrated training in table etiquette, social behavior, proper dress, proper use of indoor toilet facilities, and the proper use of books, pencils, and papers.²⁸

²⁷Robert J. Lampman, The Low Income Population and Economic Growth. Report No. 12 prepared for the Joint Economic Committee, 86th Congress, 1st session (Washington, D.C., 1959), p. 29f.

²⁸The Lebanon News, May 19, 1965, p. 1.

To many, parts of the above program may seem trivial, or even trite. In fact, the County School Board opposed the idea. However, when one remembers that many of these children are far removed from social gatherings and indoor toilet facilities, they become more significant. Indeed, in 1960 only 33.4 per cent of the housing units in Russell County had indoor plumbing facilities and most of these were in the towns and other incorporated areas.²⁹

A large part of this chapter has been devoted to the seeming ineptitude of the County Board of Supervisors. However, they alone are not responsible for the dire conditions of the public school system. The School Board has also shared in this malfeasance of office.

The large number of non-degree teachers in Russell County has already been mentioned; however, the blame for such a large number must rest squarely on the shoulders of the School Board members. They, along with the School Superintendent, are responsible for the hiring of all of the school teachers in the county. If sufficient funds are not available to attract qualified degree teachers, then it is their duty to insist that the funds be made available. However, since they hold appointive rather than elective offices, it is easier said than done.

²⁹County and City Data, p. 395.

The Parent-Teacher Association apparently has been actively trying to influence the School Board. In February, 1965, its representatives appeared before the School Board and made, in vain, the following requests:

1. The Board should limit the teacher's load to not more than 30 students for grades 1 to 3 and not more than 35 students for grades 4 to 12.
2. Teachers' salaries should be increased immediately by at least \$500 per year, and eventually increased to at least \$500 above the state minimum.
3. The Vocation-Technical School should be expanded in both size and curriculum.
4. Classes should be established for gifted students.
5. The Board should require degrees of all teachers in the county.
6. Teachers should be allotted three school days each year, non-accumulative and with pay, for emergency matters.
7. After seven years in the system, teachers should receive perpetual contracts.³⁰

Not everyone has remained silent about the deplorable educational situation in Russell County. Don Large, the Coordinator of the Russell Area Development Corporation, has advocated the consolidation of Russell County's high schools.

³⁰The Lebanon News, February 3, 1965, p. 1.

One or two centrally located schools should be formed. In this way the county could provide higher salaries to attract better teachers. Also, it could provide better school plants, equipment, and facilities.³¹ Dan Mason and Lon Dooley, members of the Board of Supervisors, have expressed similar ideas; however, theirs, too, apparently have fallen on deaf ears.

The opponents of consolidation contend that one or two centrally located high schools would be inaccessible to many students who live in remote areas and would work a hardship on them. They feel that the present system is much more desirable because less travel by the students is required. Thus, it seems that they would prefer that their children travel a shorter distance to obtain a poorer quality of education than to travel a greater distance for a better education.

When the Board of Supervisors announced that it would establish a vocational and technical training school in 1964, large delegations from the Cleveland Magisterial

³¹Interview with Don Large, Coordinator of the Russell County Area Development Corporation, Lebanon, Virginia, April 7, 1966, 2:30-4:00 P.M. Mr. Large's office was created under the auspices of the Area Redevelopment Act, 1961. Since the creation of his position in 1964, he has been actively engaged in attempting to discover the causes of poverty and finding ways to remedy it. He feels that many of the county's problems stem from an inadequate education system.

District appeared before the Board and lobbied for a Cleveland area location. Their main contention was that their children would have to travel a distance of some seven miles across "hazardous mountain roads" each day if the school were not located in Cleveland. The Board apparently accepted this contention because on April 11, 1964, Chairman Wallace of the Cleveland District said that the school would be established at Cleveland.³² The irony of this is that Cleveland sent only 23 students to the school. The remaining 122 students had to be bussed across those "hazardous mountain roads"--in some cases, more than 30 miles.³³

There seems to be a great deal of clandestine politicking and petty jealousies among the people of the various magisterial districts in the county. Therefore, it is unlikely that the high schools in Russell County will be consolidated in the near future. This is unfortunate because many of the existing school plants, equipment, and teachers seem to be inadequate and incompetent, and consolidation could solve much of this.

The only logical explanation for the existence and continuation of five separate high schools in Russell County

³²The Lebanon News, March 4, 1966, p. 1, and March 11-April 13, 1964.

³³Ibid., September 15, 1965, p. 1.

is that for many years adequate transportation facilities did not exist in the county and it was difficult, if not almost impossible, for the children to travel great distances from their homes. However, this situation has changed. The county now provides transportation to and from schools, and the roads, while inadequate for industrial use, are adequate for this purpose. A large number of the counties equal to and larger in size than Russell County have only one or two schools. For example, Pulaski County, whose geography is similar to Russell County's, has a larger population but employs only two schools.³⁴

There are no institutions of higher learning in Russell County. Therefore, it seems that the county should consolidate its high schools and use the existing plants for more technical schools and a community college. Clinch Valley College at Wise, Virginia, a two year junior college, is the closest college to Russell County and it is more than 40 miles from the county seat. The closest four year, state supported, degree granting institution is Virginia Polytechnic Institute at Blacksburg--a distance of about 125 miles from Russell County. Obviously, any industry which encourages its employees to continue their education beyond the high school or undergraduate college level would

³⁴Annual Report of the Superintendent of Public Instruction-Virginia, 1962-1963, p. 76.

not consider locating in the Russell area.

To epitomize briefly, the educational situation in Russell County is demoralizing. There seems to be a lack of initiative on behalf of the students; a lack of respect and demand for education by the parents, most of whom received seven years or less of basic education themselves; and there seems to be a lack of competent political and educational leadership among the county officials. The school plants, facilities, equipment, teachers, and teachers' salaries all seem to be grossly inadequate. In fact, more than one-third of the teachers hold no degree; there is little or no equipment in the schools for language and science laboratories; the curriculum is noticeably limited; more than 70 per cent of the entering first grade students do not graduate from the school system; and only about 20 per cent of those who do graduate attend college. In short, a low premium has been placed upon education in Russell County. The total local effort amounts to about ten cents per capita per day. The county officials apparently feel that they are justified in making such an amazingly small local effort because the monies they spend on education are wasted, since most of the young people leave the area and contribute nothing to its economy. Unless this trend is reversed, there is little hope that the economic, educational and social conditions of the area will be improved appreciably in the future.

CHAPTER V

THE TAX STRUCTURE: A FISCAL FARCE?

In his Annual Message to Congress in 1802, President Jefferson asked, "What farmer, what mechanic, what laborer ever sees a taxgatherer of the United States?"¹ In Russell County in 1965, almost everyone except the Appalachian Power Company could be asked if they have ever seen a county taxgatherer.

Article XIII, Sections 171 and 172, of the Virginia Constitution provide that the political subdivisions of Virginia shall have the exclusive right to levy taxes on real estate and coal and mineral deposits that lie within their boundaries. Section 170 of the same Article stipulates that only the State shall have the authority to levy taxes on incomes, intangible personal property, and franchises; and Section 179 provides that the State Corporation Commission shall assess the value of corporations for local taxing purposes.

Since Virginia law does not require uniform tax assessment ratios among its several counties, or that the assessment ratios be equal to that imposed upon the public

¹Stuart Brown and Charles Peltier, Government in Our Republic (New York: The Macmillan Company, 1960), p. 483.

service corporations by the State Corporation Commission, it seems that the dual nature of these tax assessment ratios could create serious inequalities within each county, and among the several counties.

It would be absurd to contend that no one except the Appalachian Power Company pays taxes in Russell County; however, there is an abundant supply of evidence which indicates that the tax assessment ratio in Russell County is extremely inequitable, and as a result, the public utilities have been paying more than their fair share of the taxes. Table IX indicates the rate of levy and assessment ratio that Russell County has imposed upon its property owners.

An analysis of this table reveals that local taxes were proportionally greater in 1936 than they were in 1964. In fact, the true tax rate in 1936 was more than twice the amount that it was in 1964. The true tax rate declined because the assessment ratio was reduced by more than 21 per cent during the same period. Thus, it seems that the assessment ratio and rate of levy were designed to decrease the individual's tax burden, but simultaneously it increased the tax load of the public utilities. Whether this was by accident or design is a moot question. However, while the county reduced its assessment ratio, the public utilities were assessed at a ratio of 40 per cent of true

TABLE IX
REAL ESTATE TAXES IN RUSSELL COUNTY

Year	Rate of levy (\$100 value)	Assessment ratio	Effective True tax rate
1936	\$3.23	29.4%	\$.95
1942	3.49	21.2	.74
1950	4.00	11.0	.44
1956	6.05	8.5	.51
1959	2.70	17.5	.47
1962	2.37	16.5	.39
1964	2.70	15.3	.41

Source: Department of Taxation, Annual Reports.

value because their rate of assessment is determined by the State Corporation Commission.² Thus, a public utility paid almost five times more taxes on its real estate in 1956 than a private individual paid on his. Also, the increase in the rate of levy from \$4.00 per \$100 value in 1950 to \$6.05 in 1956 and the reduction in the assessment ratio from 29.4 per cent to 8.5 per cent increased the individual's true tax rate by only 7 cents per \$100 value. However, it increased the true tax rate of the public utilities from \$1.60 in 1950 to \$2.42 per \$100 assessed value in 1956. Thus, the increase for public utilities was more than 11 times greater than the increase for individuals.

In 1964 Russell County received slightly more than \$295,000 in revenue from individual real estate, personal property, and mineral taxes.³ During the same tax period, the Appalachian Power Company paid more than \$822,000 in taxes to the county.⁴ In 1965 the total revenue of Russell County derived from taxes was \$1,302,730. Of this total

²The Lebanon News, February 5, 1964, p. 1. Also see Article XIII, Section 179 as amended in 1928, of the Virginia Constitution.

³"Report of the Virginia Department of Taxation," (Richmond: Commonwealth of Virginia, 1965), p. 32. Hereafter cited as "Department of Taxation."

⁴Letter from Paul Dunn, Administrative Assistant for the Appalachian Power Company, April 12, 1966, p. 2 of a 12 page letter.

\$298,847 came from real estate tax; \$27,015 came from personal property taxes; \$3,288 came from machinery and tools taxes; and \$973,580 came from property taxes on the public service corporations. The Appalachian Power Company paid \$905,783 of the \$973,580 public service property tax. In short, the power company paid 69.2 per cent of the total county taxes although it owned only 50.8 per cent of the public service property in the county.⁵

It was pointed out in a previous chapter that Russell County has lost large sums of money in state aid to education because it has failed to meet the State's minimum requirements of local effort. Theodore Sinclair of the Division of Industrial Development and Planning noted that this was indeed an absurdity because Russell County has more potential revenue than most of the counties in Virginia.⁶ In fact, in total property subject to local taxation in 1964, Russell County ranked 15th highest among the 96 counties in Virginia; yet, in tax revenues received from real property, personal property, machinery and tools it ranked 57th lowest.⁷

⁵Ibid., p. 3.

⁶Interview with Theodore Sinclair, April 15, 1966.

⁷"Department of Taxation," p. 32ff.

The following table reveals some interesting facts concerning the real estate taxes of the seven county Appalachian Region, and it lends itself to some interesting comparisons between them.

TABLE X
REAL ESTATE TAXES IN THE SEVEN COUNTY APPALACHIAN REGION 1964

Counties	Land Area in square miles	Real estate assessed value	Effective true tax rate	Total real estate levies
Buchanan	508	\$ 8,471,620	.65	\$499,825
Dickenson	335	4,633,590	.74	324,351
Lee	434	4,449,240	.85	449,972
RUSSELL	483	10,973,920	.41	295,323
Scott	539	5,101,765	.72	410,692
Tazewell	522	13,643,900	.65	689,533
Wise	411	13,213,480	.99	709,506

Source: Department of Taxation.

Except for Dickenson County, the land areas of the counties are approximately the same, but the assessed values of real estate vary greatly. Only Tazewell and Wise Counties had greater assessed values of real estate than Russell County; yet, all of the counties received more revenue from

this source than Russell received. The most noticeable difference was between Lee and Russell. Lee has a smaller land area and only about four-tenths as much assessed real estate value; nevertheless, it received almost 50 per cent more revenue from its real estate levies than Russell received. One must conclude from this that Lee County and the other counties of the area have a more equitable system of levying taxes on all of their taxable properties because they do not have extensive public service corporation properties that they can tax.⁸ Also, the true tax rate indicates that Russell County is not making as much local effort as the others are making.

In total value of all property that was subject to state and local taxation in 1964, Russell County ranked 16th highest among the 96 counties in the state.⁹ Yet, in total funds received from the state in aid to education, Russell County ranked 19th highest during the same period.¹⁰

With the above figures in mind it is not difficult to understand the reason why the State Board of Education

⁸Southwest Virginia, p. 33. It is interesting to note that in 1920 the value of farm property in Russell County was \$22,543,707 (Tate, An Economic and Social Survey of Russell County, p. 52).

⁹"Department of Taxation," p. 42.

¹⁰Report of the Superintendent of Public Instruction-Virginia-1963-1964, pp. 246-248.

advised Russell County that it must provide more local funds or lose a substantial amount of state funds in aid to education. However, when he was confronted with this announcement from the State Board, Chairman Wallace remarked:

We can't do it. We just couldn't raise taxes that much. The (Harrison) formula isn't right. It wouldn't work on us at all.

We're a poor county and this kind of thing kills the initiative of us trying to improve and go forward. It would make us say, why try. This is just another of his (Harrison's) mistakes.¹¹

In response to Wallace's statement, Ellwood Bausell commented editorially:

It will take courage on the part of our county leaders to correct the Russell County image. We have been riding a gravy train that is bound to stop without the proper 'oil' from Richmond. There is every indication that our utopian-dream is about to explode.

We may be a 'poor county' but we believe that if such a tag is appropriate, then we are poor by choice and not by circumstances. The people of Russell can and must make more effort to meet their obligations to the state . . . to do less will be false economy when we think of the almost one-half-million dollars we may fail to get. . . .¹²

The Appalachian Power Company has proposed that all of the real property in the county be assessed at the ratio at which its property is assessed, thereby providing a broader tax base and a reduction in the tax levy. It cites the 1956 and 1962 fiscal years as examples of what can happen when

¹¹The Lebanon News, January 15, 1964, p. 1.

¹²Ibid.

the assessment ratio is increased. Thus far, however, the Board of Supervisors has given no indication that it will increase the assessment ratio by any substantial amount.

In 1965 the State Board of Assessment ordered Russell County to reappraise its property values, which the county subsequently did. The reappraisal resulted in an increase in the appraised value to \$174 millions, and an increase in the assessment ratio to 19 per cent of true value. The corresponding rates for the 1959 appraisal period were \$99 millions and 17.5 per cent.¹³

It is hoped that the increase in the appraised value of real estate and the higher assessment ratio will result in additional revenues which can be used to improve the existing public services and to provide many others that are not now being provided. In particular, county water and sewer systems are desperately needed. However, the true tax rate is still nine cents below the minimum state requirement and no rapid improvements in the county's education, social, and economic conditions are anticipated.

¹³Ibid., March 16, 1966, p. 1. Roughly, the appraised value of real estate is determined by examining the real estate transactions of willing buyers and willing sellers for the current year and comparing them with similar transactions of the previous year. The estimated value is then adjusted upwards or downwards accordingly and becomes the new appraised value of the property.

One final note concerning Russell County's tax structure should be mentioned. On June 6, 1966, the Board of Supervisors adopted a one per cent sales tax on all sales transactions in the county.¹⁴ This one per cent levy is in addition to the two per cent sales tax that the General Assembly adopted during its 1966 session. In view of the recent increase in the real estate taxes, it seems that the adoption of the county sales tax was premature. Since the new real estate tax rates do not become effective until July, 1966, it has not been fully determined just how much additional revenue the increase will bring. Yet, the sales tax has been adopted and will become effective in September, 1966.

The main objection to the sales tax apparently is not the lethargy which circumvents the increased real estate tax rates. Instead, it seems to be the regressive nature of the sales tax. It has been estimated that approximately one-third of an individual's income is consumed by federal, state, and local taxes.¹⁵ In Russell County an additional three per cent will be taken because of the sales tax. This is indeed unfortunate because there is a high rate of unemployment, a low per capita income, and a large number of

¹⁴Ibid., June 8, 1966.

¹⁵Ibid., June 22, 1966.

people who have reached retirement age and must live on fixed incomes. For example, the unemployment rate has exceeded 10 per cent every year since 1957 despite the heavy outward migration that has occurred. Also, more than 8 per cent of the population are age 65 or older. Finally, the annual per capita income is among the lowest in the state. In 1964--the latest estimate that is available--the per capita income in Russell County was approximately \$1,200, and the median family income was under \$3,000. This does not compare too auspiciously with the 1963 state average of about \$2,000 and \$5,000 respectively, or the national median family income of \$6,600 in 1964.¹⁶ In fact, only one-fourth of the persons who submitted state individual income tax returns in 1964 filed on taxable incomes in excess of \$3,000, and 1,502 of the 5,093 persons who filed had no taxable income.¹⁷ Thus, it seems that a regressive tax would further depress rather than stimulate an already stagnant economy.

In summary, it seems that the Board of Supervisors have taken an unrealistic attitude toward their taxing authority. Instead of striving for a broader and more equitable tax

¹⁶"Economic Data," p. 1, and Luman H. Long, editor, The World Almanac 1966 (New York: New York World-Telegram, 1966), p. 382.

¹⁷"Department of Taxation," p. 23.

base, the Board has contracted the tax base and now depends upon primarily one source--the public service corporations--for more than three-fourths of its total tax revenue. This seems to be almost reprehensible because, after the industrial complex was constructed in western Russell County during the 1956 to 1958 period, real estate prices have skyrocketed to astronomical proportions. For example, Harold Mitchell, the Town Manager of Lebanon, was instructed by the Town Council to purchase or obtain an option on 10 acres of land that could be used for industrial development. He was given a blank check by the Council and was told to acquire the land at any reasonable price. He selected a 10 acre tract east of the town limits and began negotiating for an option. Much to his dismay, he was unable to obtain an option on the land, even though he had offered the owner the preposterous sum of \$75,000. This was more than 10 times the assessed value of the property and, according to Mitchell, the same property was offered for sale at \$500 an acre in 1955.¹⁸

There is insufficient evidence to prove conclusively that malfeasance of office has occurred in Russell County.

¹⁸ Interview with Harold Mitchell, Town Manager of Lebanon, April 7, 1966, 10:00-11:30 A.M. The Bureau of Census estimated that the average value of land per acre in Russell County in 1960 was only \$104 (County and City Data, p. 401).

However, the above and the following information indicate that misfeasance of office apparently has occurred quite frequently.

Firstly, the Board of Supervisors is almost totally composed of farmers who have extensive land holdings in the county; yet farming is not the major source of employment in the county. Although it is declining, coal mining is still the largest source of employment.¹⁹ Professor Wager of the University of North Carolina has noted that the rural-dominated boards of supervisors in the Appalachian Region are disinclined to tax themselves for public services. Instead, they look for other sources of revenue, and the state officials turn their heads.²⁰

Secondly, as the public service corporations moved into the county, the nominal tax rate on real property increased substantially and the assessment ratio was reduced drastically. For example, the nominal tax levy was \$3.23 in 1950, but it was increased to \$6.05 in 1956. Simultaneously, the assessment ratio was reduced from 29.4 per cent in 1950 to 8.5 per cent in 1956. Yet the public service corporations were assessed at a constant ratio of 40 per cent. If the primary goal of the Board was just to

¹⁹"Overall Development," p. 13.

²⁰Ford, Southern Appalachian Region, p. 161.

increase the revenue it received from real estate taxes, the increase in the rate of levy was unnecessary. It could have achieved the same end by merely increasing the assessment ratio, but it seems that an ulterior motive was involved. The net result of the Board's action was that the public service corporations were paying taxes at a rate that was almost five times greater than the individual's tax rate.

Finally, the appraised value of real estate in Russell County was greater than that in all but two of the counties in the Appalachian Region. Yet it received far less revenue from real estate taxes than any of the other counties. This indicates that the Board of Supervisors have been unwilling to impose heavier taxes upon the farmers and other land owners in the county. Instead, they have forced the public utilities to bear the majority of the tax burden. While this arrangement does not violate the letter of the law, it seems that it does violate the intent of the law. Therefore, it should be corrected immediately because it creates an unfavorable business climate and serves as a deterrent to the economic development of the county. What industry would move into an area if it knew in advance that it would eventually bear the brunt of the tax burden?

Chapter VI

TRANSPORTATION FACILITIES AND HIGHWAYS

The isolation of Russell County has long been one of the main factors limiting economic development. The county has paved roads, but the geometrics of these roads are extremely poor and traffic usually moves slowly. For example, passenger cars are often trapped behind large trucks for many miles and they are unable to pass these trucks because the roads are too narrow and winding, or in serious disrepair.¹

In 1932 the State of Virginia assumed the responsibility for constructing and maintaining all roads and highways in the state, except in the counties of Arlington and Henrico which chose to manage their own. When the state assumed control of the highways, there were about 48,000 miles of roads in the state, including some 41,000 miles of secondary roads and 8,000 miles of primary roads. Since then there has been a very modest increase of about 1,000 miles of new state highways. Also, approximately 1,050 miles of interstate highways have been allotted, but they will not be completed until about 1975. However, these cannot be considered state highway constructions because the federal

¹Southwest Virginia, p. 52.

government has provided 90 per cent of the construction costs.²

There are two primary highways in Russell County with a combined length of about 85 miles. These are U. S. Highways 19 and Alternate 58, both of which are two lane highways. The secondary highway system is composed of four hard-surface state routes, 67, 71, 80, and 82, and a series of unpaved and all weather roads. The combined total mileage of the secondary roads is 526 miles.³

In 1960 the Bureau of Census reported that 56.8 per cent of the people in Russell County owned at least one automobile that was operative, 11 per cent of the people owned two or more automobiles, and 45.9 per cent owned motor trucks of some type.⁴ If all of these cars and trucks were to be simultaneously lined bumper to bumper on the primary roads, there would not be sufficient space to accommodate them. In fact, approximately one-fifth of the

²"Virginia Department of Highways," a mimeographed letter from the Virginia Department of Highways, September, 1963, p. 1. Russell County had approximately 400 miles of secondary roads and 105 miles of primary roads in 1932. (Tate, An Economic and Social Survey of Russell County, p. 110 f.)

³"Map of the Arterial Highway System," Bristol District of the Virginia Department of Highways, May, 1964. See also "Economic Data," p. 36.

⁴County and City Data, pp. 396, 401.

29,000 automobiles and trucks in the county would be unable to find parking places on the primary highways.

The lack of highways in the county becomes even more perplexing if viewed in the overall perspective of area transportation facilities. Highway U. S. 19 is the only connecting route between the two largest cities in Southwestern Virginia area, Bristol, Virginia-Tennessee and Bluefield, Virginia-West Virginia.⁵ Highway U. S. Alternate 58 is the main connecting route between the cities of Norton and Abingdon. Thus, all of the intercounty, intercity, and interstate commerce that is contracted in these areas must be transported through Russell County. This is in addition to the 11 interstate common carriers that are authorized to serve the Russell County area, and the tourists and local people who use the highways for commercial and non-commercial purposes.

It has been estimated that about 50 per cent of the labor force of Russell County is employed outside of the county and must commute to work.⁶ Since less than one per cent of the people of the county use public transportation, it is safe to assume that most of them provide their own

⁵Loc. cit., see also County and City Data, pp. 606, 609. The combined population of Bristol and Bluefield is about 53,000.

⁶"Overall Development," p. 12.

transportation, thereby further contributing to traffic congestion.⁷ No estimate of the tourist traffic in the county has been made.

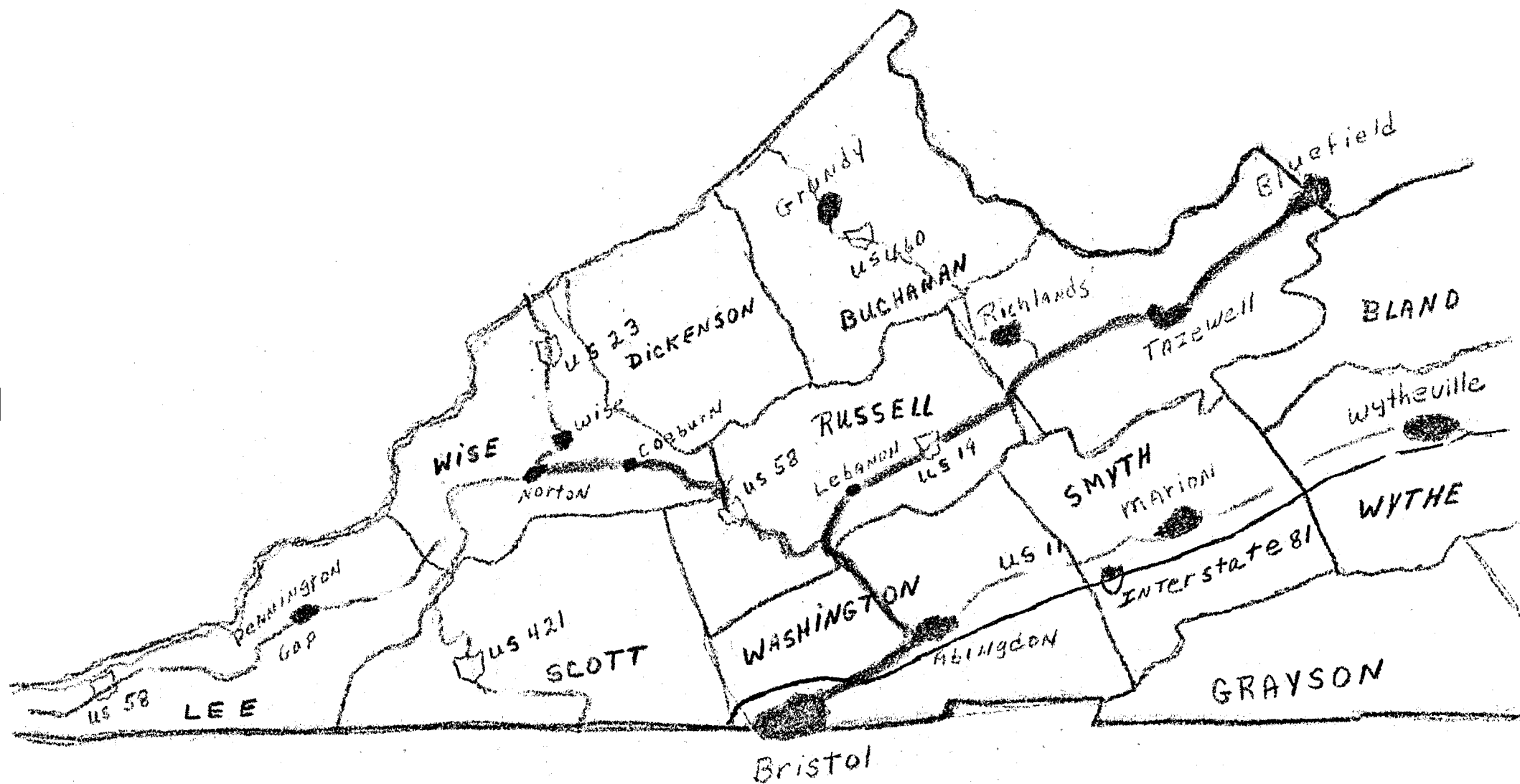
The map on the following page indicates the strategic importance of routes 19 and 58. The state has recognized the inadequacy and the importance of these highways and plans to expand them into four lane highways by 1975.⁸ This measure will not improve the existing transportation problems of the area; however, eventually it should provide quicker and easier access to the interstate highways for commercial traffic, and the labor market should be extended to industries locating in communities along the highways.

Rail transportation is readily available to most industries in Russell County. In fact, the density of the rail network in the seven county Southwestern Virginia area is greater than in any other area of similar size in Virginia. No fewer than five different lines serve the area, and two of these, Southern Railway and Norfolk and Western Railway, have extensive routes and spur lines in the area.⁹

⁷ County and City Data, p. 394.

⁸ "Map of the Arterial Highway System," Bristol District of the Virginia Department of Highways, May, 1964.

⁹ Southwest Virginia, p. 52. The other rail companies serving the area are Clinchfield, Louisville and Nashville, and the C & O Railroad.



THE PRIMARY HIGHWAY SYSTEM OF SOUTHWEST VIRGINIA
 Source: Virginia Department of Highways.

Prior to 1959, the Norfolk and Western Railway Company provided daily round trip passenger service between the cities of Norton and Bluefield. However, this service was discontinued because of lack of demand.¹⁰ None of the other lines provide passenger service.

The main objection to rail transportation in Russell County is that the southern half of the county is not served by either of the rail companies. This area includes Lebanon--the county seat and largest incorporated town in the county--and all of the communities in the Clinch Valley. Heretofore, this area was largely agricultural; however, it now contains the larger of the two textile plants in the county. Also, the Department of Conservation and Economic Development has noted that this area of the county has a great deal of potential for industrial development because it has a lot of available land that is suitable for industrial location.¹¹

Air transportation is noticeably missing in Russell County. The nearest commercial airport is the Tri-City

¹⁰Letter from Mr. C. E. Hunter, Jr., Manager of Industrial Development for the Norfolk & Western Railway Company, February 24, 1966.

¹¹"Industrial Sites and Economic Data: Russell County, Virginia," a report prepared by the Department of Conservation and Economic Development, Division of Industrial Development and Planning, July, 1961, pp. 10-21. Hereafter cited as "Industrial Sites."

Airport near Bristol, Tennessee. It is served by Capitol, Piedmont, and Southeastern Airlines, and connections to any part of the United States can be arranged.¹²

In summary, it seems that a more adequate transportation system will be necessary if the area ever achieves economic prosperity. In fact, adequate transportation is vital to economic development. The geography of the entire Southwest Virginia area has not lent itself to highway construction, and as a result, the area has been somewhat isolated. However, improved technology and the same type of ingenuity that made possible the construction of the Chesapeake Bay Bridge and Tunnel should solve the engineering problems of road-building in Russell County. This will require large sums of money, maximum cooperation, and a realization by the state officials that Virginia's western boundary does not terminate at Roanoke.¹³

¹²Ibid., p. 36.

¹³The Lebanon News, February 12, 1964, p. 1.

CHAPTER VII

AGRICULTURE

Prior to 1900, Russell County's economy was almost completely agrarian. The soil was fertile and well adapted to the cultivation of tobacco, wheat, corn, oats, hay, apples, and various vegetables; and livestock flourished in the grassy meadows at the base of the mountains. Thus, the county was self-sufficient.¹ However, after the coal fields were opened in the Appalachian Region, large numbers of people migrated into the area seeking employment. Hence, the area ceased to be entirely self-sufficient. This trend continued throughout the first half of the Twentieth Century because the farmers left the farms for more lucrative occupations in the coal fields. By 1950 mining had replaced farming as the leading source of employment in the county.²

Since agriculture apparently has played an important role in the development of Russell County, it would be cogent to examine it as a factor in this development.

In 1910, there were 2,859 farms in the county, but the number had been reduced to 2,734 by 1949, 2,355 by 1954,

¹Tate, An Economic and Social Survey of Russell County, pp. 86-87.

²"Overall Development," pp. 9, 13.

and 1,772 by 1959. The average number of acres per farm has also undergone change. For the respective years above, the average number of acres per farm was 127, 98, 108, and 134 in 1959.³ The above information and the following table indicate that the trend is toward fewer and larger farms.

TABLE XI
FARMS BY NUMBER OF ACRES

Acres	Number of farms in 1949	Number of farms in 1954	Number of farms in 1959
Under 10	373	334	142
10- 49	1,111	910	605
50- 99	662	548	487
100-219	426	371	259
220-499	161	146	129
500 & over	41	46	50

Source: "Overall Development," p. 5.

It should be noted that the declining number of farms and farm population in Russell County is not unique. This

³Op. cit., p. 76, and "Overall Development," p. 5.

seems to be the national trend.⁴

The average value of farm property has been tripled since the turn of the century. In 1910, it was \$4,113; however, by 1949 it had increased to \$8,841. From 1949 to 1954, farm property value declined to \$8,240, but by 1959 it had increased to \$13,390.⁵

The total value of farm products sold was \$4,140,856, \$4,100,283, and \$4,891,187 for the years 1949, 1954, and 1959, respectively. Livestock and livestock products accounted for more than 50 per cent of the farm income during the 1949-1950 period.⁶ However, by 1962 Burley Tobacco had become the leading source of farm income with gross sales receipts amounting to \$2,500,000, even though the tobacco allotments have been steadily declining since 1950.⁷ Yet, the county produces about one-fourth of the state's Burley Tobacco.

In 1959 there were 889 commercial farms in Russell County, and only 10 of them had products which sold for \$25,000 or more. The majority of the farms--in fact 88 per

⁴Roy E. Proctor and T. Kelley White, "Agriculture: A Reassessment" in Ford, Southern Appalachian Region, p. 87f.

⁵Tate, An Economic and Social Survey of Russell County, p. 76, and County and City Data, p. 401.

⁶"Overall Development," p. 5.

⁷1962 Annual Report of Russell County, p. 15.

cent of them--received less than \$2,500 for the sale of their farm products, and 70 per cent received less than \$2,000.⁸ Thus, more than three-fourths of the commercial farms in Russell County would qualify for public assistance under the anti-poverty programs. Also, to compound the problem even further, the level of living index for all farms in Russell County was only 49 in 1960. The national index was 100, but some counties had an index as high as 214.⁹

In addition to the various agricultural conservation programs which have been established in Virginia, Russell County participates in two price-support programs which were provided for by the Agricultural Adjustment Act of 1938, as amended. Firstly, the National Wool Payment Program, and secondly, the Allotment and Marketing Quota Program. The former offers an incentive to the farmers to produce more wool, and the latter limits the amount of

⁸ Loc. cit.

⁹ County and City Data, pp. 31, 401. The level of living indexes are based on five items: (1) the average value of land and buildings per farm, (2) the average value of sales per farm, (3) the per cent of farms with automobiles, (4) the per cent with food freezers, and (5) the per cent of farms with telephones. Pertinent to but not included in the measuring of the level of living is the per cent of farms with indoor plumbing. In 1955, only 31 per cent of the farms in Russell County had this facility (The Lebanon News, October 13, 1955, p. 1).

tobacco and wheat that can be produced in any given year. All of the farmers in the county participated in the tobacco allotment program, but only about one-third participated in the wheat and wool programs.¹⁰

In summary, it seems that the agrarian way of life is rapidly diminishing in Russell County. Only the elderly people are still trying to eke out a living on the farms. In 1960 the average age of the farm operators was 54.6, but 25 per cent were 65 or older.¹¹ The number of farms in the county has declined by about 500 for each quinquennium since 1949, and the value of farm products has fluctuated to the extent that it is no longer dependable as a primary source of income. Also, the per capita income for farmers was less than \$500 in 1960. Thus, part-time farming has become almost prosaic because a supplemental income was necessary to maintain a subsistence level of living.¹² However, part-time farming is limited by the lack of non-agricultural jobs in the county. From 1950 to 1960, agricultural employment declined by about 40 per cent. Simultaneously,

¹⁰1962 Annual Report of Russell County, p. 12ff.

¹¹The Lebanon News, November 17, 1960, p. 1.

¹²"Overall Development," p. 8. The per capita income for farmers was derived by dividing the total value of products sold by the number of farms in the county. The quotient was then divided by four--the average number of persons per family.

non-agricultural employment increased by only 25 per cent. Thus, the surplus laborers had to seek employment outside the county or remain in the county and become either underemployed or unemployed. Judging from the employment statistics for the 1950-1960 decade, many of the farmers chose to remain in the county because the unemployment level in 1960 was 155 per cent above the 1950 level.¹³

¹³ Ibid.

CHAPTER VIII

INDUSTRY*

In order for an area to become economically stable its economic base must be diversified to the extent that a decline in the demand for particular goods and services will not adversely affect the general economy. Until very recently, the economic base of Russell has been restricted to coal mining and agriculture, and a decline in the demand for these products coupled with increased automation has created an unfavorable economic atmosphere throughout the entire area. Unemployment is excessively high; the per capita income and standard of living are extremely low; and outward migration has occurred at an alarming rate.

Large-scale coal mining was first introduced in Russell County in 1904 by the Dawson Coal and Coke Company, but the Dawson Company was devoured in 1906 by the Clinchfield Coal Corporation. Clinchfield had a capital stock of \$15,000,000 had employed about 1,700 men who received approximately \$2,000,000 per annum in wages and produced products worth about \$2,700,000.¹ Following the outbreak of

*This Chapter will cover both industry and commerce in Russell County because there seems to be insufficient information about each to warrant separate chapters.

¹Tate, An Economic and Social Survey of Russell County, p. 104.

World War I, numerous coal mines were opened to meet the increased demands for coal. Some of these were the following.

The Dixie Splint Coal Company was organized in 1917 with a capital stock of \$50,000. It employed 35 men who received an aggregate of \$35,000 per year in wages. The Banner Raven Coal Corporation was also organized in 1917. It had a capital stock of \$44,000 and employed about 100 men and paid them an aggregate of \$109,000 in 1929.²

The Fletcher Coal Corporation was organized in 1925 with a capital stock of \$150,000. It employed about 50 men in 1927, but its operations were spasmodic and no wage rates are available.³

The Candlewax Smokeless Coal Company and the Swords Creek Mining Corporation were organized in 1927 and 1930 respectively, with capital stocks of \$50,000 each. The former employed about 75 men in 1927 and paid them \$85,000. No figures are available for the latter.⁴

The Clinchfield Coal Corporation is the only coal company in Russell County that survived the Great Depression.⁵

²Ibid., p. 105.

³Ibid.

⁴Ibid.

⁵"Industrial Sites," p. 23.

It is a subsidiary of the Pittston Company of New York. In 1965 the Clinchfield Coal Corporation employed 614 people in Russell County and paid them \$4,309,907--an average of about \$7,020 per-employee-per year.⁶ This is well above the median family income in Russell County and compares favorably with the national average.⁷ In addition to the above salary, the employees receive annually 14 days of vacation and \$225. Also, the company contributes to the Miners Welfare Fund \$.40 for each ton of coal that it produces. In short, it costs the company approximately \$35 per day per employee for salaries and benefits.⁸

As indicated in the previous paragraph, the income of the miners at the Clinchfield Company is well above the county average. Table XII indicates the prevailing wage rates in the county.

An analysis of this table reveals that the average hourly wages in Russell County are well below the state average and far below the national average. There are numerous reasons for this low average wage rate in the county but the two most prominent reasons seem to be the lack of

⁶Interview with O. N. Hall, Vice-President of the Clinchfield Coal Corporation, April 6, 1966.

⁷See Chapter V for comparative incomes.

⁸Interview with O. N. Hall, April 6, 1966.

TABLE XII
PREVAILING HOURLY WAGE RATES IN RUSSELL COUNTY BY INDUSTRY

Job Description	Male	Female	Average
Garment Plant Operators	\$1.50	\$1.37	\$1.43
General Plant Workers	1.65	1.30	1.47
Concrete & Lime Production	1.40	1.25	1.32
Service Industries	1.35	1.25	1.30
Coal Miners (union)	3.28		
Coal Miners (non-union)	1.00		
County Average	1.69	1.29	1.49
State Average			2.14
National Average			2.64

Sources: "Site Location Analysis," a report on the economic potential of the Lebanon Area prepared by Harold Mitchell, Town Manager, et al., and an interview with O. N. Hall of the Clinchfield Coal Corporation, April 6, 1966, and Southwest Virginia, p. 41.

organization among the workers and the marginality of the industries in the county.⁹ Fewer than 20 per cent of the workers are unionized and almost all of these are members of the United Mine Workers of America.¹⁰ Significantly, this is the group which receives the highest wages in the county. The marginality of the industries in the county is evidenced by the fact that more than \$50,000 in local funds were necessary before the Russell Manufacturing Corporation, a manufacturer of ladies' lingerie, could begin operation. These funds were advanced at no interest rate, and for a long period of time.¹¹ In addition to local subscription, the Russell Corporation borrowed \$40,000 from the Small Business Administration, \$20,000 from individuals in the county, and \$35,000 from the local banks. The corporation itself provided only \$15,000, or 10 per cent of the total funds.¹² The financial situation was essentially the same for a similar factory which was constructed in Honaker in 1964. Both factories are subsidiaries of the Top Form Company of New York.

⁹Southwest Virginia, p. 41.

¹⁰"Site Location Analysis," p. 2. The International Brotherhood of Electrical Workers claims 65 union members in Russell County.

¹¹The Lebanon News, August 9, 1956, p. 1.

¹²Ibid., June 13, 1957.

It is significant to note that a majority of the coal miners in Russell County are not members of the United Mine Workers Union. They are employed by the smaller operators who eke out a living in the truck mines, commonly called scab mines because they are non-union. The truck mines usually employ about five workers per mine and, because of the low production level of these mines, they cannot afford to pay union wages. In short, they are also marginal.¹³ An example of this is given below.

In 1964 Robert Runyon operated a mine near Carbo where he employed about 50 men. It was a non-union mine, but he paid better than average wages. When production exceeded demand, he cut the workers' wages from \$22.00 per day to \$18.00 per day, and he announced that the mine would hence operate only three days per week. The miners objected to the wage reduction and tried to unionize the mine. Runyon countered by closing the mine completely. He subsequently moved his equipment to eastern Kentucky and resumed operation there.¹⁴

All told, approximately one-fourth of Russell County's labor force are employed in the coal mines. This figure,

¹³ Southwest Virginia, p. 16.

¹⁴ Interview with Robert Runyon, April 6, 1966. Mr. Runyon, a mine operator, lives at Swords Creek.

however, does not include the more than 20 per cent of the labor force who are employed in coal mines outside the county. Russell County's mines produced 1,900,000 tons of coal in 1964 and accounted for about 6 per cent of the state's total coal production. This represented an increase in production of about one-third since 1950. However, total employment in the coal mines decreased by about one-third during the same period. Presently, about 65 per cent of the non-agricultural unemployment in Russell County is among the coal miners.¹⁵

In January, 1956, the Appalachian Electric Power Company announced that it intended to erect a \$55,000,000 power plant at Carbo in western Russell County. The plant would use about 1,100,000 tons of local coal per year to operate its steam generators which would have a capacity of 450,000 kilowatts when it began operating in 1958. The company's officials indicated that the Carbo site was chosen because of the availability of large amounts of coal, existing transmission lines, and a ready market in the area for electrical power.¹⁶

¹⁵"Overall Development," p. 10f, and Southwest Virginia, p. 15.

¹⁶The Lebanon News, January 26, 1956, p. 1, and a letter from Paul S. Dunn of the Appalachian Power Company, April 12, 1966. Prior to 1950 only the towns in Russell County had electrical power. The first rural power lines in the county were built after World War II.

In 1960 the power company announced that it planned to expand its generating plant. By 1961 it had a generating capacity of 675,000 kilowatts, and its total investment in Russell County exceeded \$100,000,000.¹⁷

The county had no electrical engineers and other highly trained personnel to offer the power company when it moved to Carbo. Consequently, the power company had to import about all its employees. It now employs 139 workers.¹⁸

In addition to the \$100,000,000 which the Appalachian Power Company spent in the county, it was directly responsible for the expending of approximately \$8,000,000 by the Clinchfield Coal Company and the Norfolk and Western Railway Company. They had to improve their facilities to accommodate the power company's needs.¹⁹ Appalachian also has an economic development program whereby it will purchase land and construct shell buildings for any industry desiring to locate in the area, if the industry uses large amounts of electricity. However, as of this date no buildings have been constructed in Russell County by the power company because it has been unable to obtain adequate sites.

¹⁷The Lebanon News, January 7, 1960, p. 1.

¹⁸"Site Location Analysis," p. 3, and "Overall Development," p. 13.

¹⁹The Lebanon News, December 1, 1955, p. 1, and April 25, 1957, p. 1.

Its only effort was foiled when the Town Manager of Lebanon failed to obtain an option on a proposed industrial site.²⁰

Appalachian's relationship with the county officials has not always been benign. Since the Second World War it has engaged in numerous altercations with the county officials because of the inequity of the county's tax structure. The power company officials indicate that while they endeavor to be misologicistic, they cannot sit idly by and bear the brunt of the tax burden.²¹ As pointed out in a previous chapter, Appalachian paid about 70 per cent of the total tax bill in 1965.

Apparently the pleas of the Appalachian Power Company and other public utilities in the state have been heard. The General Assembly passed a bill in 1966 which provides that over a 20 year period the State Corporation Commission may assess the property of the public utilities at the same ratio at which the other property in a county is assessed.²² Russell County will soon lose its golden goose.

There are two garment manufacturing plants in the county. They are the Russell Manufacturing Corporation,

²⁰See Chapter V for the details of this project.

²¹Letter from Paul Dunn, April 12, 1966, p. 3f, and The Lebanon News, December 9, 1965, p. 1.

²²The Lebanon News, March 30, 1966, p. 1.

which began operations in 1957, and the Honaker Manufacturing Corporation, which opened in 1964. Combined, they employ about 600 people, most of whom are women. While these represent encouraging marks of progress, the county is still in dire need of jobs for men to compensate for the decrease in mining and agricultural employment. These men must now seek employment elsewhere in the state or nation. In fact, the Manager of the Russell Manufacturing Corporation has noted that he has a serious personnel problem because of the large number of married female employees in his firm. The unemployed husbands find jobs outside the county and take their families with them. It is not difficult to find replacements for them, but the replacements are unskilled and untrained.²³

One popular theory holds that public assistance programs dissipate individual initiative. In some cases this may be correct; however, it apparently is not the case in Russell County. When the Russell Manufacturing Corporation announced that it was interviewing applicants for jobs in its factory, more than 600 men and women vied for the 100 factory jobs.²⁴ Thus, it seems that many of the people

²³"Overall Development," p. 19.

²⁴The Lebanon News, April 28, 1955, p. 1. The number of job applicants also greatly exceeded the number of jobs at the Honaker plant. In Richmond in March, 1966, the city

would rather work than receive public assistance.

The James River Hydrate and Supply Company of Buchanan, Virginia, manufacturers of crushed stone, limestone sand, agricultural limestone, and mine safety dust, erected a \$700,000 plant in Russell County in 1964. The plant employs about 35 men and pays them an average of about \$1.30 per hour. In addition to the 35 plant workers, 30 truck drivers are employed on a contract basis at about the same rate of pay. The plant is capable of producing 2,000 tons of crushed stone daily.²⁵

According to Chester Wright, Plant Superintendent, the Swords Creek site was chosen because ". . . it was almost atop one of the richest deposits of limestone in this entire area . . . and the quality of the stone is unequalled."²⁶

Sherman Wallace, Chairman of the Russell County Board of Supervisors, was elated by the decision of the Hydrate Company to locate in Russell County. He indicated that plans were underway by the county officials to develop an industrial park in the vicinity of the new plant, and

announced that 40 public work jobs were available to people on the public welfare roll. They would receive the same pay for working as they were receiving through the welfare program. More than 100 recipients applied.

²⁵Ibid., November 4, 1964, p. 1.

²⁶Ibid.

announced that a ready-mix concrete company, an asphalt mix company, and another company of undisclosed purpose would immediately locate in the Swords Creek Area.²⁷ However, as of this date, the industrial park has not been developed and no new industries have moved into the area.

In most areas in Virginia approximately one-half of the labor force are employed in the basic industries and the other one-half are engaged in servicing-type industries.²⁸ Because of the low per capita income level in Russell County only about one-third of the labor force are engaged in servicing-type industries, and when agriculture or one of the basic industries falter, there is no ready market for the excess labor.²⁹ Thus, unemployment rapidly increases and outward migration subsequently occurs.

In most instances, the volume of retail trade in a particular area reflects the standard of living of the people in that area. The standard of living is determined primarily by the per capita income. Thus, the per capita income of the people of an area should determine the volume

²⁷ Ibid.

²⁸ Southwest Virginia, p. 10.

²⁹ "Population and Work Force Data for Russell County," a statistical report prepared by the Research, Statistic and Information Division of the Virginia Employment Commission, September 16, 1965. Hereafter cited as "Population and Work Force Data."

of retail trade that is transacted in that area. In Russell County, \$13,007,000 were spent by county consumers in 1963.³⁰ This amounted to about \$500 per person and was less than 42 per cent of the state average. However, this was an increase over the 1958 total of \$11,238,000, and it was almost double the 1954 retail sales of \$7,506,000.³¹ This increase is significant because the retail sales decreased by about 18 per cent from 1948 to 1954. Also, 80 retail establishments went out of business during this period.³² However, during the 1954-1960 period, 30 new businesses were organized. This brought the total number of licensed retail establishments in the county to 180. Only three businesses expired their licenses in 1964.³³ This indicates that the economy is at least temporarily more stable than it was during the 1948-1954 period.

It should be noted that 100 of the retail sales establishments in the county had no paid employees in 1960, and their sales transactions amounted to only slightly more than \$2,000,000, or less than 20 per cent of the total sales

³⁰Southwest Virginia, p. 22f.

³¹County and City Data, p. 398.

³²The Lebanon News, December 1, 1955, p. 1.

³³The Richmond Times-Dispatch, July 12, 1965, p. 27, and County and City Data, p. 398.

revenue. The remaining 80 retail outlets employed 331 workers and paid them an aggregate of \$760,000 in 1960-- this was slightly less than \$2,300 per employee per year.³⁴

Personal consumption in Russell County reveals an interesting pattern that differs considerably from the national purchasing trend. In 1959 Russell Countians spent \$3,000,000 for food, \$2,300,000 for automobiles, \$1,000,000 for gasoline and oil, \$500,000 for furniture, \$293,000 for medicines and drugs, \$195,000 for wearing apparel, and about \$3,000,000 on all others.³⁵ The expenditures for food and transportation accounted for almost 70 per cent of the total retail sales expenditures. Nationally, food and transportation accounted for only 40 per cent of the total personal expenditures.³⁶ Thus, it seems that the people of Russell County place a higher value on automobiles and transportation than the nation as a whole places on them. This has been the trend since 1950.³⁷

One final observation concerning the economy of Russell County should be noted. Discounting the large number of

³⁴County and City Data, p. 398.

³⁵The Lebanon News, July 14, 1960, p. 1.

³⁶County and City Data, p. 398, et passim, and a letter from the Office of Business Economics, U. S. Department of Commerce, May 20, 1966.

³⁷Ibid.

military personnel who were stationed in Virginia in 1960, the federal government employed more than one-seventh of the labor force in the state and provided almost one-fourth of the state's personal income.³⁸ However, in Russell County there are no federal installations and no federal employees. The significance of the lack of federal employment in Russell County can be seen if one compares its unemployment level and personal income with Arlington County which has more than one-fourth of its labor force employed by the federal government. In 1960 only 1.6 per cent of Arlington County's labor force were unemployed. The median income for the county was \$8,670, only 6 per cent of workers earned less than \$3,000 per year, and 38.6 per cent of them earned more than \$10,000 per year.³⁹ The corresponding figures for Russell County were 10 per cent, \$2,933, 51 per cent, and only 3.9 per cent earned more than \$10,000.⁴⁰ Quite obviously, federal employment makes a considerable difference in the economy of a county.

To recapitulate, it seems that the economy of Russell County is too narrowly based to insure economic stability

³⁸"Virginia: An Economic Profile," a report prepared by the Federal Reserve Bank of Richmond, March, 1962, p. 36. Hereafter cited as "Virginia: An Economic Profile."

³⁹County and City Data, p. 383.

⁴⁰Ibid., p. 393, and "Population and Work Force Data."

and social progress. The two leading sources of income and employment in the county, farming and mining, have rapidly decreased in importance both nationally and locally. Small scale farming has been replaced by large commercial farms, and automation, advanced technology, and substitute fuels have dissipated the importance of coal as a source of fuel for most industries and homes.

As a source of income and employment, farming has been declining since the Civil War. The efforts of the farm co-operatives such as the Grange, the American Farm Bureau Federation, and the National Farmers Union have been unable to reverse this trend, or improve substantially on the condition of the small farmers.⁴¹ Consequently people have fled from the farms at a rapid rate. Currently fewer than 10 per cent of the national labor force are engaged in agriculture.

Coal mining has been of major significance in Russell County since 1900. During the first half of the Twentieth Century, the coal industry enjoyed unprecedented growth. Prior to World War I, it commanded over 75 per cent of the energy fuels market. However, by 1950 coal's share of the energy fuels market had been reduced to 39.2 per cent. Its

⁴¹Proctor and White, "Agriculture: A Reassessment," in Ford, Southern Appalachian Region, p. 88ff.

share has been further reduced to only 30.9 per cent in 1957, and 27.3 per cent in 1961, and it seems that it will soon command an even smaller percentage of the market. According to Business Week magazine, nuclear power will probably soon become the nation's leading source of energy.⁴² Thus, the existing sources of energy fuels will probably decline in importance.

There are many reasons for the decline in the demand for coal, but the most telling seems to be the one that was advanced by Jean Gottsman. According to her, "The producers and distributors of coal were guilty of relaxing their efforts in technological research and marketing techniques."⁴³ Apparently, as long as the world demand was strong and the labor union was kept at arms length, the producers and distributors seemed to be content with sitting on their haunches and basking in their prosperity. Some other reasons for the decline in the coal market were the high cost of coal production, the use of substitute fuels in industries and homes, the reopening of the European coal fields after World War II, and the conversion of the railroad steam

⁴²Harold Gibbard, "Extractive Industries and Forestry," in Ford, Southern Appalachian Region, p. 104f, and Business Week Magazine, February 12, 1966, p. 30ff, and U. S. Department of Commerce Minerals Yearbook, 1962 (Washington: Government Printing Office, 1962, Vol. III), p. 279 ff.

⁴³Gottman, Virginia at Mid-Century, p. 389f.

engines to diesel power.⁴⁴

The few industries that have been lured into Russell County to provide employment for the erstwhile farmers and miners seem to be too marginal and too limited in capacity to fill the lacuna that were created by the declining agricultural and mineral markets. They employ mostly women, but the real need seems to be more jobs for the men.

In short, unless additional basic industries are brought into the area, Russell County will become almost completely dependent upon public assistance and public initiative.

⁴⁴Gibbard, "Extractive Industries and Forestry," in Ford, Southern Appalachian Region, p. 105.

CHAPTER IX

REDEVELOPMENT PROGRAMS IN RUSSELL COUNTY:

A LOOK TO THE FUTURE

In the 1960 presidential campaign, public attention was focused on the problems of the Appalachian Region when presidential aspirants John F. Kennedy and Hubert H. Humphrey campaigned in the West Virginia Democratic Primary. Both candidates were shocked by the conditions they found in the mountain areas, especially in the coal mining camps; and both promised assuagement if elected.¹

On May 12, 1961, President John F. Kennedy demonstrated the validity of his campaign pledges by signing into law the Area Redevelopment Act. This bill was designed to help rural and urban communities throughout the nation to overcome chronic unemployment through three related proposals. Firstly, it enables the Federal Government to make loans to commercial and industrial enterprises for new facilities or plant expansion; secondly, it can make loans and grants for community facilities and urban renewal; and thirdly, it can finance the training and retraining of unemployed and

¹Theodore H. White, The Making of the President, 1960 (New York: Atheneum Publishers, 1962), p. 42ff., and Rupert B. Vance, "The Region's Future: A National Challenge," in Ford, Southern Appalachian Region, p. 291f.

underemployed workers.²

Russell County was declared a redevelopment area under Section 5b of the above act. In order to be designated a redevelopment area, the area must be characterized by substantial and persistent unemployment. The Department of Labor decides whether or not the area qualifies under Section 5b by applying the following general formula:

Unemployment is currently 6% or more of the work force, discounting seasonal or temporary factors, and has averaged at least 6% for the qualifying time periods specified below in (a), (b), and (c) and when the annual average rate of unemployment has been at least:

- (a) 50% above the national average for 3 of the preceding 4 calendar years, or
- (b) 75% above the national average for 2 of the preceding 3 calendar years, or
- (c) 100% above the national average for 1 of the preceding 2 calendar years.³

Table XIII indicates the unemployment level of Russell County, Virginia, and the United States for 1950, 1957, and each year thereafter.

The unemployment rate in Russell County has been at least 10 per cent since 1958. Yet, the Virginia rate has not been half that amount, and the national rate has been only as much or two-thirds of that rate. Currently, the

²Public Law 87-27, 87th Congress, S. 1, May 1, 1961.

³Ibid., p. 9f.

TABLE XIII
UNEMPLOYMENT STATISTICS FOR RUSSELL COUNTY

Year	County	State	United States
1950	5.0	5.1	5.3
1957	6.3	3.5	4.3
1958	10.1	5.2	6.8
1959	11.2	4.2	5.5
1960	10.0	4.1	5.6
1961	13.0	4.5	6.7
1962	13.1	4.0	6.5
1963	12.0	3.2	5.7
1964	10.4	2.3	4.6
1965	11.7	1.8	4.2

Source: Virginia Employment Commission, Research, Statistics and Information Division, And "Overall Development," p. 11.

county rate is more than ten times greater than the state level and almost three times greater than the national rate. Thus, it seems that the county has been plagued with substantial and persistent unemployment for many years.

The unemployment rate in Virginia is determined by dividing the total number of unemployed persons in an area by the total civilian work force in the area. The resulting quotient is the average rate of unemployment.⁴ It seems that this is a highly inaccurate method of determining the unemployment rate because it does not take into consideration the place of employment. Therefore, it does not give an accurate picture of the county's ability to provide jobs for its residents. For example, if the total civilian work force in a county is 6,000 and 1,000 of them are unemployed, the unemployment rate is 15 per cent. However, if the total civilian work force is 6,000 and 1,000 are unemployed and 2,000 work outside the county, the 15 per cent unemployment rate is not a realistic measure of the county's ability to provide employment. If the 2,000 residents who are employed outside the county had been unable to obtain these jobs, the county's unemployment rate would be 50 per cent instead of 15 per cent. Also, this formula includes both underemployment and part-time

⁴"Population and Work Force Data," p. 2.

employment as full time employment in a county. For example, the unemployment rate in Russell County in 1964 was 10.4 per cent. However, 900 people who were considered employed by the Employment Commission were not required to file personal income tax returns because they earned less than \$1,000 in 1964.⁵ Thus, it seems that the average unemployment rate should have been 25 per cent rather than the 10.4 per cent that the Employment Commission reported.

The significance of Russell County's being designated a redevelopment area seems to be that it started the local politicians thinking about economic redevelopment. On February 5, 1962, the County Board of Supervisors appointed a Steering Committee to study the economic situation in the county. This was the first step toward economic redevelopment that the county had taken in its 176 year history.⁶

Between the months of February and November, the Steering Committee conducted an extensive survey of the economic conditions of Russell County. Their final report was highly critical of the county's political leaders, its businessmen, and its parents and teachers; but their greatest criticism was directed toward the county's substandard educational programs. It concluded that federal assistance

⁵"Department of Taxation 1965," p. 23.

⁶"Overall Development," p. 1.

would be necessary before the county could disenthral itself from the forces of the past that have created an economically underdeveloped society.⁷ This report was subsequently used as the basis of Russell County's Redevelopment Programs.

In 1962 the Manpower Development and Training Act (Public Law 87-415) was passed by the Congress. It provides for federal assistance in training unskilled and unemployed members of the labor force in occupations required by the current economy. It pays for administrative costs, training expenses, and a small subsidy to the head of a family who is being retrained. In return, the person being trained must agree to accept a job in his skill anywhere in the state, and at apprentice's wages. As of this date, the program has not been successfully employed in Russell County.⁸

In 1964 President Lyndon Johnson embarked upon a courageous and almost idealistic program. He sought to deracinate poverty in the United States, and his major weapon in the war on poverty was the Economic Opportunity Act of 1964. It established an Office of Economic Opportunity in the

⁷ Ibid., p. 24.

⁸ Letter from Donald Large, Coordinator of the Russell Area Development Program, July 11, 1966.

Executive Office of the President. The President subsequently appointed Sargent Shriver to direct the program.

The main provisions of the bill are programs for youth development (the Job Corps), community action anti-poverty measures in rural areas, and loans to small businesses to provide job training. The programs are financed by the state, local, and federal governments. However, the federal government pays 70 per cent of the total costs, but the Governor has the authority to veto any of the programs, and many felt that he would exercise this authority.⁹

The Russell Area Redevelopment Corporation was established in May, 1965, under the auspices of the Economic Opportunity Act. It is a community action program designed to improve the economic and social conditions in the county through education, retraining, and youth employment.¹⁰ In total, the Redevelopment Corporation has spent more than \$235,000 on community projects since its inception in 1965. The majority of this money has been spent on Project Head Start--a pre-school training program very similar to kindergarten--and a Neighborhood Youth Corps Project--a program which will provide summer employment and educational training for deprived youths in the county. It will provide

⁹The Lebanon News, August 19, 1964, p. 1.

¹⁰Interview with Donald Large, April 7, 1966.

part-time jobs and training for 84 school enrollees.¹¹ More than \$41,400 have been made available for this project with the federal grant amounting to \$37,260.

The county tried to get a Job Corps Project in 1965; however, because there were no federal or state parks or buildings available, the Corps was located in Wise County.¹²

Donald W. Large, a native of Wise County, is currently the Coordinator of the Redevelopment Program. He was appointed to this position by the Board of Directors of the Corporation, all of whom are volunteers. They are appointed by the County Board of Supervisors. Large, a former high school teacher, received two weeks of training as a Community Action Technician at Berea College, Kentucky. The program was sponsored by the Council of the Southern Mountains and was conducted by the Office of Economic Opportunity and the Virginia Polytechnic Institute.¹³

No attempt to evaluate the effectiveness of the above projects will be made by this writer. However, it does seem that little has been done to relieve the immediate problems of the county. For example, it seems that the basic needs are for adult development projects and more

¹¹The Lebanon News, June 8, 1966, p. 1.

¹²Ibid., September 23, 1965, p. 1.

¹³Ibid., May 12, 1965, p. 1.

industry for the area. Both of these could be achieved through public education, public interest, and a lot of hard work by the Redevelopment Corporation.

The Appalachian Development Act was passed by the Congress in 1965. It provides federal funds amounting to 50 to 70 per cent of the total costs for state road building in Appalachia, construction of medical and health facilities, loans for timber development, the reclamation of strip-mined areas, vocational education facilities, and sewage treatment grants. As of this date, none of these projects are being operated in Russell County.¹⁴

In summary, the county has recognized the need for the economic redevelopment of the area and has taken the first step toward achieving that end. However, public grants alone will not solve its problems. The county's political leaders, business leaders, education leaders, and spiritual leaders must become involutely involved in redevelopment before it can be successful. Sargent Shriver has stated that redevelopment can be successful and poverty alleviated if the people want it badly enough.¹⁵ It is hoped that the people of Russell County want it badly enough to achieve it.

¹⁴Letter from Donald Large, July 11, 1966.

¹⁵U. S. News and World Report, February 28, 1966, pp. 64-69.

CHAPTER X

CONCLUSION

In the opinion of this writer, Russell County is a depressed area. It has a high level of unemployment, and excessively low per capita income, and a low level of educational attainment.

The people seem to disregard the value of formal education; consequently, they demand very little from the County School Board. The school age children seem to subscribe to the misoneistic philosophy of their parents; as a result, there are a large number of school drop-outs. In fact, more than 70 per cent of the children entering first grade do not remain in the school system long enough to graduate from it.

The economy seems to be effervescent with instability. The two leading sources of employment and income, farming and mining, have been rapidly declining since 1950, and an insufficient number of new industries have been lured into the area to pick up the slack. In fact, more than 50 per cent of the people work outside the county; and of those who work in the county, only 50 per cent have full-time jobs.¹ Thus, Russell County has a deficit of about 2,000

¹"Overall Development," p. 12.

jobs and can provide only part-time employment for about half of its employable age group. Needless to say, this situation will have to be reversed if the county is to become economically self-sufficient.

This writer asked Sherman Wallace, Chairman of the Board of Supervisors, what measures had been taken to attract new industries to the county. He replied, without any further explication, "We have tried everything in the book."² This writer later discovered that "everything in the book" had not been tried. For example, the county promised to build an industrial park near Swords Creek to attract new industries, but the park was never constructed. Also, the county has repeatedly refused to exercise its power of eminent domain and obtain property for public parks, industrial sites, and other public projects, even though many people have urged it to do so.³ Furthermore, it refuses to offer a temporary tax reduction incentive to industries that are considering the county as a possible location site.⁴

²Interview with Sherman Wallace, Chairman of the Russell County Board of Supervisors, April 3, 1966.

³Interview with Donald Large, April 7, 1966, and an interview with George Cozzolino, Clerk of Russell County, April 6, 1966.

⁴Letter from Sherman Wallace, April 30, 1966.

Since the county has taken this negative, and apparently almost irretrievable, position on tax discrimination in favor of new or prospective industries, this writer can not help but wonder why the county does not apply this principle to all of its citizens. The Appalachian Power Company would certainly be elated if everyone paid his fair share of the tax burden. It certainly has been discriminated against. In fact, this discrimination has become a topic of state-wide discussion. On February 11, 1964, the Richmond Times-Dispatch carried a report titled "Russell County Criticized as Utilities ask Tax Relief." The following day the Roanoke Times carried an editorial titled "Our Soak-The-Rich Tax Device."⁵

On February 15, 1965, The Lebanon News took umbrage at the above articles and attempted to confute them. Ironically, the same edition carried the third in a series of articles titled "Russell: A Poor County?" in which the editor criticized the county's inequitable tax structure.⁶

Messrs. Harold Mitchell, Donald Large, and Sherman Wallace believe that Russell County is a potentially good location for chemical manufacturing. This writer contacted

⁵The Richmond Times-Dispatch, February 11, 1964; p. 2f and the Roanoke Times, 1964, p. 10.

⁶The Lebanon News, February 15, 1964, p. 1.

the Public Relations Department of the E. I. Dupont DeNemours and Company in Wilmington, Delaware, and asked it what factors determine its plant locations and would it consider locating a plant in the Russell County area?

The Public Relations Department made it clear from the outset that plant location is an extremely complex process and much of its procedure is confidential. However, it noted that the following are a few of the basic factors that are considered: the availability of raw materials, the tax structure, construction costs, transportation facilities, water and waste-disposal requirements, utility needs, site size (at least 300 acres), labor relations--availability of skilled workers, educational facilities, distance to markets, and a good business climate.⁷

The company could not state whether or not it would locate a plant in the Russell County area until all of the above factors had been investigated, and until each department in the company had been queried--a process that would involve months of study and an investment of \$20,000 to \$40,000.⁸ However, it did intimate that the answer was negative. It could not locate in Russell County. Thus, it

⁷Letter from Bettina F. Sargeant of the Public Relations Department of the E. I. Dupont DeNemours and Company, June 1, 1966.

⁸Ibid.

seems that Wallace and the others are overly optimistic about the potential of chemical manufacturing.

Speaking at a seminar for community industrial development leaders, Governor Godwin said, "Our No. 1 priority is skilled craftsmen and artisans and technicians to man the new machines industries must have. . . . We dare not separate public education and industrial development."⁹ Chairman Wallace has noted that lack of education and educational facilities are the main problems now confronting Russell County.¹⁰ Yet, as pointed out in Chapter IV, little has been done to improve education in Russell County, and the School Board recently stated that a kindergarten is not needed in Russell County.¹¹

Not everyone shares the opinion of this writer that Russell County is a depressed area. In fact, two prominent educators have espoused an opposite opinion.

Dr. Leland Tate, a professor of rural sociology at the Virginia Polytechnic Institute, has noted that most of the people in Russell County and the Appalachian Region are not poor and depressed. Instead, they have good incomes and

⁹Richmond Times-Dispatch, June 3, 1966, p. 8.

¹⁰Letter from Sherman Wallace, April 30, 1966.

¹¹Richmond News-Leader, July 16, 1966, p. 3.

will not be included in the President's war on poverty.¹²

Dr. Rupert Vance, a professor of sociology at the University of North Carolina, has noted that parts of the area have a remarkable growth rate and will soon catch up with the state's growth rate. He cited the City of Roanoke as an example of this growth. He indicated that it is included in the anti-poverty program, but it is one of the state's most vigorous areas, and it will likely continue its remarkable growth rate. He also pointed out that the war on poverty will be a lost cause unless the high birth rate in the southwest Virginia area is not halted.¹³

This writer does not feel competent enough to refute the above statements of these two great scholars. However, he does feel that they are either guilty of being careless with facts or not being properly informed. For example, the per capita income in Russell County in 1964 was only \$1,200, and the median family income was less than \$3,000. More than 50 per cent of the families in the county earned less than \$3,000, and only 3 per cent of individuals had income in excess of \$10,000.¹⁴ Considering Dr. Vance's

¹²The Lebanon News, May 13, 1964, p. 1.

¹³Ibid.

¹⁴See Chapter V for complete details on personal income in Russell County.

statement that the area has an excessively high birth rate, since 1950 the birth rate in Southwest Virginia has been rapidly declining, and it currently is below the state average.¹⁵ Also, his statement concerning the City of Roanoke seems to be invalid. In 1960 Roanoke had a higher level of unemployment than the state as a whole; its median income was below the average of Virginia's independent cities; the state had a larger percentage average of its people earning \$10,000 than Roanoke had; and Roanoke lost more than 7,000 people through outward migration during the 1950-1960 decade. The state's population increased by about 20 per cent during the same period.¹⁶

This writer recommends that the following steps be taken to improve the economic situation in Russell County. It should be understood from the outset that these measures will require a sincere desire by everyone concerned and vigorous implementation before they can be successful. Petty jealousies, selfish motives, and misoneistic philosophies will have to be discarded if progress is to be realized.

Firstly, the people and the County Board of Supervisors must be made to realize the importance of education. The

¹⁵See Chapter III for complete details.

¹⁶County and City Data, pp. 383-403.

public schools should be consolidated and the curricula vastly improved. The vacated school plants should be used for vocational training, both adult and child. However, vocational training should be a supplement to, rather than a substitute for, a basic education. Also, a junior college should be constructed, with or without state or federal aid. If local funds are not available and cannot be made available, federal grants should be used.

Secondly, a sincere effort must be made to unite the political, business, and spiritual leaders behind a vast redevelopment program. This will require vigorous leadership from the Coordinator of the Redevelopment Corporation, the re-activation of the now defunct County Chamber of Commerce, and a unified effort by the ministers in the area.

There are now available a large number of federal programs that can benefit the area greatly, if the people demand their use.

Thirdly, the county must end its inequitable taxing policies. It is morally wrong for the public utilities to pay a disproportionate share of the taxes. It creates animosities among the business and political leaders, and contributes to a bad business climate. No industry will move into the area if it knows in advance that it will have to pay a disproportionate share of the tax burden. In fact, both Messrs. O. N. Hall and Theodore Sinclair have noted

that industry failed to follow the Appalachian Power Company into the area because of the county's tax structure and a poor business atmosphere.

Fourthly, the Board of Supervisors must end the antiquated and discriminatory legislative apportionment that has plagued Russell County for more than 80 years. All of the people should be treated equally and given an equal voice in the government.

Fifthly, the county should construct industrial parks, recreational facilities, public sewer and water facilities, and provide roads to and from industrial sites. It should give the Coordinator of the Redevelopment Corporation complete authority to seek new industries for the area. It should demand that the state construct better highways in the area to give easier and quicker access to all parts of the state. Isolation of the area and poor public services in the area must be improved.

Finally, the Board of Supervisors and the people of the county must demonstrate their faith in the future of the county by uniting behind these redevelopment programs and working vigorously for their success. Only a united people, equipped with zeal, knowledge, and proper guidance and assistance, can improve the overall condition of the county.

In the words of President Lyndon Johnson, "We can survive this century only if we find how to substitute human dignity for human degradation."¹⁷

¹⁷A Time For Action. A selection from the Speeches and Writings of Lyndon B. Johnson (New York: Pocket Books, Inc., 1964), p. 35.

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