The dying small town is alive and well

Economic and cultural factors combine to produce a rural revival

How You Gonna Keep 'Em Down on the Farm After They've Seen Paree? In 1919 this was more than the title of a popular song. It was a fact of life in the United States. The 1920 census showed, for the first time, that more people were living in the cities than in rural areas. And ever since then, the trend has been for young people to leave the farm and move to the big city. But this situation might be changing. Recently compiled statistics indicate a population turnaround. There seems to be a significant economic and population rebirth going on outside of the metropolitan areas.

Gay Paree wasn't the only magnet pulling people off the farms. With little new land to settle and with the mechanization of farms, there were fewer and fewer opportunities for farmers. With industry growing in the cities and with immigration halted, there were more and more opportunities for employment in urban areas. Except for a slight dip during the Depression, this trend continued and even accelerated after World War II. Farming, mining and wood industries—the major rural economies—became even more mechanized while urban job expansion continued. The Department of Agriculture estimates that from 1940 to 1970, 28.5 million people left farms and abandoned farming. The result is that all of the nation's net 71 million population growth went into urban population. Rural population rounded off at 54 million and stayed there in every census since 1940.

Calvin L. Beale of the Population Studies Group of the U. S. Department of Agriculture's Economic Research Service says the decline in rural areas has finally stopped—and much sooner than he expected. The number of farmers, for instance, reached a certain point (3.5 million) and could not go any lower. Then, in the 1960's industries began relocating in rural areas and small towns. These factors were expected to stabilize rural populations. But other economic trends and cultural attitudes came together to produce what might be a boom for rural areas. The nation will not become rural again, says Beale, but small towns and cities may stop shrinking and begin to live again.

Employment data from the spring of 1970 to the spring of 1973 show that the rate of total employment increase has been higher in nonmetropolitan areas than in metropolitan areas (including their suburbs). This was especially true in manufacturing where not only the rate of growth but absolute growth was larger. Beale estimates that as many as 500,000 people have moved out of the large cities since 1970 and found new homes in small towns. Because of the industry, Beale says, a well-defined niche has opened up in the small towns for people with urban backgrounds. Openings increased in management positions as well as in the area of trade and service.

The cultural and attitudinal changes that are part of this trend are not hard to spot. City people have always retreated to the country for recreation. Now they are going there for good to escape urban crime, pollution, traffic and high costs. They are finding rural areas healthy, friendly and free of stress and tension. In addition, rural areas are catching up on some of the city conveniences they previously lacked—hospitals, junior colleges, communications. And urban people no longer have to be embarrassed about being the only city slicker in town. As of 1973, 20 percent of the people in small towns and rural areas have an urban background.

Beale admits that the energy crisis might slow down the rural revival. Shortages of gasoline and heating fuel will make life in the country a little harder. But, he says, the fuel shortage is also bringing more people to the country. Coal mines, for instance, are looking for workers, and farm production is being increased for the export market. The energy shortage, says Beale, is only a temporary threat to the overall move to the country. "The trend," he says, "is very dramatic and very real. It will probably last for the rest of the decade." □

The oil crisis:

"When you have eliminated the impossible," Sherlock Holmes used to say, "whatever remains, *however improbable*, must be the truth." How Holmes would have loved The Great Energy Caper, with its Sheiks of Araby, its hosts of intriguing suspects—each with a different alibi—and, of course, the missing booty, all trillion dollars (or so) of it.

The impossibilities seem so numerous: the entire industrialized world driven to the brink of economic chaos by a tiny group of developing countries, the most powerful international cartel unable to deliver its product and the most sophisticated government planners caught by surprise and at a loss to know what to do next. Close examination, however, reveals disturbing discrepancies in each of these widely accepted propositions, and ferreting out the improbable truth begins with exposing the fictions that have kept the world's petroleum flowing for the last decade, and determined its price.

The first fiction is that petroleum is produced, refined and delivered by independent, competing companies. According to the Federal Trade Commission, a few large companies run the industry "much like a cartel," pursuing a "common course of action of using their vertical integration to keep profits at the crude level artificially high and profits at the refining level artifically low, thereby raising entry barriers [to independent refiners]." Vertical integration means the controlling of all stages of preparation and delivery of the petroleum, from wellhead to refinery to neighborhood gas stations. Some integration occurs in individual companies, but increasingly the oil giants are coordinating their efforts through joint ventures and interlocking boards of directors.

While it is illegal for any individual to sit on the board of directors of two supposedly competing companies, a bank can appoint one of its officers to the board of one oil company, and another officer to the board of a competitor. First National City Bank of New York, for example, in 1968 had directors on the boards of Exxon (then Standard Oil, N.J.), Mobil and Sinclair and owned substantial stock of Phillips and Tenneco. Again, for the officers of any two of these companies to meet to agree on product prices is a Federal offense, but First National could hardly be ex-

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