

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
Division of Subsistence Homesteads

MEMORANDUM FOR THE PRESS

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One of the most significant projects yet to be undertaken by the Division of Subsistence Homesteads entered its final stage of development today, when Secretary of the Interior Ickes approved the budget and progress schedule for Jersey Homesteads, near Hightstown, New Jersey.

Planned to accommodate 200 needle trade workers and their families, the Jersey Homesteads project is outstanding by reason of the fact that it will be the first subsistence homestead community in which the major activities of the homesteaders will be conducted on a cooperative basis.

Jersey Homesteads will be developed with an allotment of \$850,000 advanced by the Division of Subsistence Homesteads plus a down-payment of \$100,000, or \$500 per family, contributed by the homesteaders. Each family will purchase and own individually its home and a one acre homestead tract. The remainder of the land will be devoted to the various cooperative enterprises. Most important of the nonagricultural enterprises will be a garment factory, which will provide employment for the community's workers and give them the cash income required to meet the payments on their homesteads.

While open to any qualified applicant, in keeping with the Division's policy of making no discrimination as to race, creed, color, or political belief, the project was undertaken to help solve a definite economic problem affecting workers in the garment industry. Applicants for homesteads have, as a result, been almost 100 percent Jewish, and the project's sponsorship has come chiefly from leaders of the Jewish community in New York City. The plan for the project was

conceived by a group headed by Benjamin Brown, who has long been prominent in the cooperative movement, and who was appointed by the Soviet Government in 1929 to advise concerning cooperative features of the Biro-Bidjan colony. Professor Albert Einstein, the famous physicist, is one of the project's chief sponsors.

The project near Hightstown was accepted for development by the Division with the following objectives in mind:

1. To demonstrate the feasibility of decentralizing an industry which for years has been heavily concentrated in the congested areas of large cities, amid slum living conditions and sweatshop working conditions.

2. To demonstrate the merits of combining subsistence homesteading with work in a predominantly seasonal industry.

3. To conduct an experiment in cooperative working and living by a people noted for their adaptability to community living.

The site for the homesteads consists of approximately 1,260 acres. It was acquired at a cost of \$36,000, and is located on a main highway three-and-a-half miles from Hightstown, approximately forty five miles from New York, and about the same distance from Philadelphia. The location of the project within easy distance of these two cities is considered especially suitable for a manufacturing enterprise whose products can be transported quickly and inexpensively in light trucks. The project is also situated in the center of one of the richest truck farming sections of New Jersey. The soil is a light sandy loam, fertile, and well adapted to intensive cultivation.

To date, nearly 1,000 applications for homesteads have been received, and from this number the homesteaders have been tentatively selected. The selection

was made after personal investigation of the families' eligibility. Of the 200 homesteaders, some 160 will be skilled needle trade workers who will find employment in the cooperative factory. The remaining homesteaders will include approximately 15 farmers, several storekeepers, school teachers, a physician, a dentist, a barber, a cobbler, a carpenter, a plumber, and other maintenance men, so that the colony to a large extent will be self-contained.

Of the \$850,000 advanced by the Division of Subsistence Homesteads, \$690,000 will go toward the individual homesteads and will be charged to the homesteaders as individuals. The remaining \$160,000 will go toward setting up the cooperative enterprises and will be charged to these enterprises, which will be self-liquidating. The \$100,000 contributed by the homesteaders will be used to pay for the erection and equipment of the garment factory, for the purchase of livestock, and for operating capital for the cooperatives.

The cost of the individual homesteads will average approximately \$3,500 each. These will be sold to the homesteaders in accordance with the usual purchase plan of the Division, that is, over a 30 year period with interest at 3 percent. Monthly payments, covering interest and amortization, will average approximately \$14.75 per homestead. On each one acre tract will be erected a house of concrete block construction. Fifty of the houses will be of 6 rooms and the remainder, 5 rooms. Each homesteader will have his garden for vegetables and small fruits. The heavy farming, however, and raising of poultry and livestock, will be done on the cooperative farm.

It is contemplated that the homesteaders will organize two cooperative associations, an industrial and an agricultural, under the laws of the State of New Jersey. The homesteaders will be members of these associations and will share in all the benefits derived from their operation.

The community farm will consist of some 500 acres and include a poultry and a dairy plant. The dairy farm will contain approximately 100 milk cows, while the poultry farm will have some 100,000 laying hens. The crops raised will consist principally of hay, grain and potatoes. Most of the produce will be consumed by the livestock. The surplus of potatoes will be used as an exchange crop for procuring the necessary concentrates which cannot be profitably raised in that section. An orchard of 40 acres is already on the project and is in full bearing. Farm operations are already under way. During the past summer at an outlay of \$11,000, \$12,000 worth of products were raised.

The cooperative enterprises will bear a proportionate share of the expense of improvements such as the water supply system, roads, and other utilities. The combined cooperatives will be required to meet annual payments totaling approximately \$8,000. The projected balance sheets covering the cooperative operations indicate that the profits from them will be ample to meet this annual obligation and at the same time to create a reserve.

In the operation of the factory, the project sponsors have enlisted the cooperation of a well-known garment manufacturing firm of New York City. At the outset, the factory will be operated by this company and the homesteaders employed on a wage basis. A contract is now being negotiated. This arrangement has been made in order to give the homesteaders an initial period in which to become acquainted with each other and set up the machinery for the eventual cooperative plan upon which future operations will be conducted. The factory will operate under union conditions and union wages will prevail. The workers are all trade union members.



The character of the business - the manufacture of women's sportswear - offers a most advantageous combination in that the length of the working period and the seasonal unemployment period in the coat and suit industry dovetail into the seasonal requirements of gardening work. It is estimated that the homesteaders, in addition to their salaries in the factory or drawn from the other cooperative enterprises, will be able to raise \$150 worth of vegetables and other produce in their gardens for home consumption.

A cooperative community store will be set up and will handle foodstuffs and such other items as are normally found in a general store.

The homesteaders will receive assistance and instruction in the laying out, planting, and cultivation of their gardens. The New Jersey State Agricultural Experiment Station and the Agricultural College of Rutgers University have offered their cooperation and assistance in this work.

Though under direct Federal control, the management of the community will in large part be in the hands of a Board of Trustees, two of whom will be homesteaders. The Board of Sponsors for the community includes several notable names. In addition to Dr. Einstein and Mr. Brown, who is Chairman, the sponsors include Rabbi Jonah B. Wise, Alfred Wallerstein, retired manufacturer, Maxwell Copelof, Executive Director of the Infants' and Children's Wear Code Authority. Invitation to membership on this Board will also be extended to a recognized leader of the labor movement in New York City, and two members to be elected from among the homesteaders.

It is further expected that when construction is completed, and the homesteaders have settled on the project, the colony will be incorporated as a village and that settlers shall elect village officers from among their members.

Construction of the houses and of the factory is to begin as soon as the weather permits. The site has been surveyed and laid out, a water supply system has been laid out, and the first of two wells drilled. Plans for the houses, the factory, the cooperative store, and other buildings have all been completed.

Commenting on the action of Secretary Ickes in giving final approval to the budget and plan of development, Charles E. Pynchon, General Manager of the Federal Subsistence Homesteads Corporation, stated:

"Jersey Homesteads is certainly one of the most significant and, we believe, will be one of the most successful projects yet undertaken. Its development will help to make self-sustaining the families of needle trade workers who are now only partially employed, and for whom the prospects for future employment are limited. Needle workers, in common with others, have suffered from the effects of business conditions within the past five years, and are especially in need of the type of assistance which a subsistence homestead can provide. These workers have always been altogether dependent upon the vicissitudes of a seasonal industry, and one which is, in addition, also subject to the caprices of fashion.

"In the needle trades industries, the workers are not superannuated so early in life as in the heavier industries. It is quite possible in many lines in the needle trades for the worker to continue at his trade until sixty or sixty-five years of age. It is, therefore, clear that the proposed garment factory in the Jersey Homesteads will provide employment for workers who are far past the age of employment in other lines of work.

"It is popularly thought to be unusual for Jewish people to engage in a rural or semi-rural undertaking. The Jewish people are known as a gregarious race who have been highly urbanized for the past two thousand years, in large

measure as the result of European laws which prohibited them from owning land. What is not so well known, is that some 120,000 Jews are on farms in this country today. Attempts by other countries to settle Jewish families on the land have failed largely because they neglected the social side of life which is so important to the Jew. The Jew is a sociable citizen. He sets great store by family, friends, and community. He flees from isolation. The Jersey Homestead plan promises him a semi-rural or suburban life, but one in which neighbors and the community are strongly emphasized.

"In such a community the advantages of subsistence homesteading are to be enjoyed with no loss of those fine social activities which go to make up the well-rounded life which the Jewish family demands.

"Vocational training for the children and adult educational facilities have not been forgotten. The cultural and recreational activities of the colony will be in the hands of the homesteaders and will be considered of just as much importance as activities of a purely economic nature.

"An organization known as the Junior League of Jersey Homesteaders has already been formed. Membership in this group will be limited to grown children of the colony, and plans for social, religious, educational, and recreational activities have already been formed. This is but one indication of what may be expected in the way of developing the social side of life in the colony.

"The Hightstown project is soundly conceived, economically and socially. The fact that the homesteaders have all agreed to make a down-payment of \$500, and their partnership in this venture, promise a high degree of stability and a serious determination to succeed."