The Muscatatuck State Hospital Historic District was originally the Indiana Farm Colony for Feeble-Minded Youth. It was one facility in a system of eight that represented the mental health care system of Indiana in the nineteenth and early twentieth centuries. Defining mental illness had always been difficult. Doctors and mental health institution superintendents hesitated until the 1950s to concretely define mental illness. Until the mid-twentieth century, deviant or unexplainable behavior was considered mental illness.

Lists of mental illnesses from the nineteenth to twentieth centuries included intemperate drinking, abuse from drunken husbands, excessive use of tobacco, loss of property, religious excitement and anxieties, epilepsy, feeble-mindedness, disappointment in love, indulgence of temper, jealousy, puerperal, spinal irritation, loss of sleep, Mexican War excitement, seduction, dyspepsia, masturbation, mesmerism, reading vile books, suppression of menses, excessive lactation, and sterility (Lepola and Hammond 1985).

The history of mental illness and mental health treatments in the United States began in the late seventeenth/early eighteenth centuries. People with mental illnesses, often defined as bizarre or deviant behavior, were thought to be possessed by the devil or wild animals (National Mental Health Association 2005). The mentally ill fell into two categories: mania and melancholy (Ohio University 2005). There was no prescribed therapy or treatment for the mentally ill at this time except for the theory of catharsis. Cathartic medical treatment intended to expel a crisis from an individual. Cathartic treatments included submergence in ice baths until the loss of consciousness, massive shock to the brain, the inducement of vomiting, and bleeding (Ohio University 2005). If a family could not care for a mentally ill relative, that person generally was jailed or confined to an almshouse for the poor or infirm.

This belief in demonic possession changed in the middle of the eighteenth century when doctors theorized that mental illness was a disease of the brain that required treatment at specialized facilities. In 1752, the Pennsylvania Hospital in Philadelphia admitted the first mentally ill patients in the 13 colonies. While the taint of demonic possession had been removed from the mentally ill, the treatments technically differed little from confinement in a jail or almshouse. Patients were restrained in cold dark cells with little or no ventilation or heat, punished physically, and underwent cathartic treatments to expel their crises.
By the turn of the century, doctors had instituted a treatment philosophy that combined the old style of dealing with mental illness with the current European treatment called moral therapy, in which "improper external conditions could induce derangement". (Floyd 2005). Moral therapy was engineered by Philippe Pinel in 1793 in France. His belief was to treat mentally ill patients with kindness and care and never use violence. The theory was enhanced in 1796 by William Tuke, an English Quaker who operated a "retreat" for the mentally ill in which people discussed their problems, enjoyed a peaceful, bucolic setting, and worked. American doctors combined this theory of moral therapy with the previous methods of punishment, restraint, and bleeding for close to 20 years.

Patients received basic amenities such as heat and ventilation, were separated from violent offenders, and participated in work, exercise, and recreation programs (National Mental Health Association 2005). Private institutions for the mentally ill began to open, beginning in 1817 with the Asylum for the Relief of Persons Deprived of the Use of Their Reason in Philadelphia. Other hospitals would follow in Kentucky, New York, South Carolina, and Virginia.

Two doctors became the faces of moral therapy/moral management beginning in the 1840s: Dr. Samuel B. Woodward, Superintendent of the Worcester (Massachusetts) State Hospital, and Dr. Thomas S. Kirkbride, Superintendent of the Pennsylvania Hospital for the Insane. Woodward believed kind and individualized care, occupational therapy, religious exercises, and amusements/games would heal the mentally ill (National Empowerment Center 1999). Respect for the patient as a human being was another key tenet. Kirkbride also espoused these beliefs, but added the element of architectural design. Kirkbride designed a layout to enhance mental recuperation in which wards were arranged in tiers off of the main administration building (Kirkbride Buildings 2005). This design allowed for the separation of the sexes, as well as a structural and secluded environment away from the suspected causes of the mental illness. Patients had views of landscaped parks, adequate lighting and ventilation, and a schedule that included work, play, and relaxation. Kirkbride’s layout and theories would influence mental hospitals along the east coast and into the Midwest.

Despite this apparent forward movement in the treatment of mental illness, it truly only benefited those able to afford it. The poor mentally ill suffered the more violent "treatments" found in jails and almshouses and in 1841, Dorothea Dix began a campaign of public awareness of mental illness amongst the poor. Dix, a Boston schoolteacher who came from a wealthy family, promoted changes in the treatment of the mentally ill, and due to her efforts, by 1880, 32 psychiatric hospitals for the poor opened across the country (National Mental Health Association 2005).
Another outcome of Dix's efforts was a shift in attitude regarding where the mentally ill should be treated. Psychiatric hospitals (often called asylums) became the accepted place of treatment for the mentally ill, where patients would receive proper care without dealing with the stress of their illness and families would not have to deal with the stigma or stress of a mentally ill person in the home. Ironically, this shift in attitude created overcrowding in the hospitals and the ideals of moral therapy were crushed by the warehousing of patients and new theories for treatment. Phrenology, animal magnetism, hypnotism, and relaxation became popular. Because many of these treatments lacked structure, and the overcrowding of the facilities affected the nurse-to-patient ratio, patients often became unruly and combative. Treatments reverted back to restraints and punishment. In 1908, former mental patient Clifford Whittingham Beers highlighted the inhuman treatment of the mentally ill in his book A Mind That Found Itself. Beers would become a prominent advocate for the humane treatment of the mentally ill. Mental hospitals remained prevalent, though. In addition to housing the patients who were truly ill, many elderly people were left at hospitals and many homeless people became patients until the weather improved (Ohio University 2005).

All of these problems led to a deterioration in patient care at these facilities and the old methods of restraint, punishment, and even catharsis returned as a treatment. Kirkbride's theory had been heavily criticized by doctors as ineffective quackery. The idea of moral therapy/moral management, elevated first in the Kirkbride buildings and then in the cottage plan of construction of little homes on hospital grounds, fell victim to the new practices of lobotomies and early eugenics.

The reform of psychiatric hospitals began after World War II. Studies implied that the warehousing effect of the psychiatric hospitals were doing more damage than the actual mental illness since economic depressions and two world wars had prevented the true amount of financial assistance to support adequate psychiatric hospitals. The new belief was that only the severely mentally ill should be hospitalized in long-term care. The development of antipsychotic drugs in the 1950s allowed more patients to remain in the community since the drugs curbed or eradicated peculiar or violent behavior. For the next four decades, a deinstitutionalization movement focused on outpatient care and prompted the release of hundreds of thousands of mentally ill to live on their own, return to their families, move into nursing or group homes, or even live on the streets. In 1963, the Community Mental Health Centers Act was passed by Congress to construct community, outpatient, mental health centers. This program did not receive adequate funding, and many mentally ill in the community received no care. In the 1980s and 1990s, numerous problems were encountered in mental hospitals. Funding had been drastically cut by the government, cases of sexual and physical abuse were documented, and health insurance did not cover fees. Many state hospitals have been closed due to these issues, and mental health care has remained an outpatient treatment.
It was in this context that the Indiana Farm Colony for Feeble-Minded Youth was founded. Indiana had eight major mental health facilities, which, arranged by age, included:

- Central State Hospital (Indiana Hospital for the Insane) in Indianapolis, which opened in 1848;
- Fort Wayne State School (Indiana School for Feeble-Minded Youth and Asylum for Feeble-Minded Children), which opened in 1879;
- Logansport State Hospital (Northern Indiana Hospital for the Insane), which opened in 1888;
- Richmond State Hospital (Eastern Hospital for the Insane), which opened in 1890;
- Hospital for Insane Criminals at the Indiana State Prison in Michigan City, which opened in 1909;
- Madison State Hospital (Southeastern Hospital for the Insane), which opened in 1910

These eight hospitals make up the mental health care system in the state of Indiana and reflect the social and medical changes in this field. The hospitals at Indianapolis, Logansport, and Richmond were designed on modified Kirkbride plans in which one central administration had tiered wards off to the sides to ensure a secure, structured environment for the patients. The remaining facilities were constructed on a cottage plan, in which several small buildings were constructed in a more "homey" environment.

In addition, these facilities represent the trends that marked the history of mental health treatments. Central State Hospital, for example, reflected the cathartic medical treatments, while Logansport State Hospital emphasized moral therapy, and the MSDC reflected the cottage plan of homey surroundings. Each facility mirrors the darker times in the history of mental health, including the use of restraints, physical punishment, lobotomies, and electroshock therapy (Lepola and Hammond 1985).

Because rural areas were believed to be ideal settings for the care and treatment of the mentally ill, Butlerville, in Jennings County, was one of 25 possible sites for a new state mental health facility in the early 1900s. The Muscatatuck State Developmental Center (MSDC) was originally established in 1919 as the Indiana Farm Colony for Feeble-Minded Youth for males suffering from most mental illnesses except epilepsy. This farm colony was instituted by an act of the Indiana legislature to provide comfortable and adequate care for the "mentally defective" citizens living in the state in response to recommendations from the Indiana Board of Charities at the turn of the twentieth century (Board of Trustees 1945). Until this time, developmentally disabled, or "feeble-minded," people who had no caregivers lived in county jails or institutions for the insane (Board of Trustees 1945). By 1915, a committee was formed by the state legislature to investigate the need for separate facilities for the feeble-minded (Lepola and Hammond 1985). Over 25 possible sites were visited and finally, on 16 December 1919, a total of 1,814 acres was purchased from 13 farms near Butlerville in Jennings County for the total price of $125,820 (Lepola and Hammond 1985). Since $250,000 had been appropriated for the facility, the remaining $124,180 was marked for building construction and equipment purchases.
Because rural areas were believed to be ideal settings for the care and treatment of the mentally ill, Butlerville, in Jennings County, was one of 25 possible sites for a new state mental health facility in the early 1900s. The Muscatatuck State Developmental Center (MSDC) was originally established in 1919 as the Indiana Farm Colony for Feeble-Minded Youth for males suffering from most mental illnesses except epilepsy. This farm colony was instituted by an act of the Indiana legislature to provide comfortable and adequate care for the "mentally defective" citizens living in the state in response to recommendations from the Indiana Board of Charities at the turn of the twentieth century (Board of Trustees 1945). Until this time, developmentally disabled, or "feeble-minded," people who had no caregivers lived in county jails or institutions for the insane (Board of Trustees 1945). By 1915, a committee was formed by the state legislature to investigate the need for separate facilities for the feeble-minded (Lepola and Hammond 1985). Over 25 possible sites were visited and finally, on 16 December 1919, a total of 1,814 acres was purchased from 13 farms near Butlerville in Jennings County for the total price of $125,820 (Lepola and Hammond 1985). Since $250,000 had been appropriated for the facility, the remaining $124,180 was marked for building construction and equipment purchases.

A Board of Trustees for the Indiana Farm Colony for Feeble-Minded Youth was appointed on 2 January 1920 by Governor James P. Goodrich. This Board of Trustees instituted a policy that only males over 16 years of age would be accepted at the colony. The original 35 inhabitants (called inmates) of the colony were all male inhabitants of the Indiana School for Feeble-Minded Youths in Fort Wayne (Fort Wayne State School). They lived onsite in three farmhouses (the Brougher, Carlin, and Lack farmhouses) and, with the assistance of inmates at the Indiana Reformatory, cleared the land for the construction of the original institution buildings (Lepola and Hammond 1985). Some of the earliest structures built with the sole function as an institutional building were the Keller Building, the Scott Building, Elmhurst (Building 104) and the Aikenhead (or Aitkenhead) Colony Building. Aikenhead was designed by Bass, Hamilton and Graham of Indianapolis and was constructed with local timber and stone. It was later destroyed by fire. The Indiana Farm Colony for Feeble-Minded Youths remained autonomous only to the state until 1925, when it became a colony of the Indiana School for Feeble-Minded Youths in Fort Wayne. The original colony was identified as a home and not a hospital or institution. Inmates earned their keep by working on the farm raising crops and livestock in an effort to make the facility self-sustaining. Manners, reading, and writing were taught to those who functioned at a higher level. Amusements and recreation were also an important concern, and the Board of Trustees identified baseball, reading, picture shows, and church services as appropriate activities during free time (Lepola and Hammond 1985).