

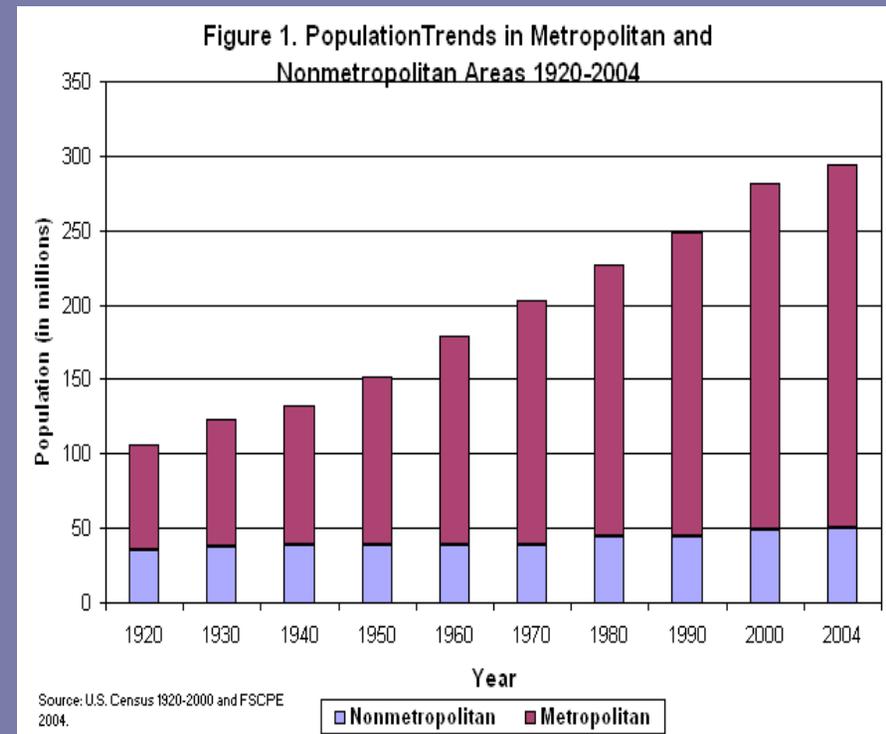
Rural America at a New
Crossroads:
The Importance of Strong
Community Institutions

National Center for Frontier Communities
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Rural America Today

- 50 million people live in small town and rural communities, making up 17% of US population, on 80% of the land
- Today rural America is undergoing changes as dramatic as in the 1940s and 50s when we saw massive out-migration.

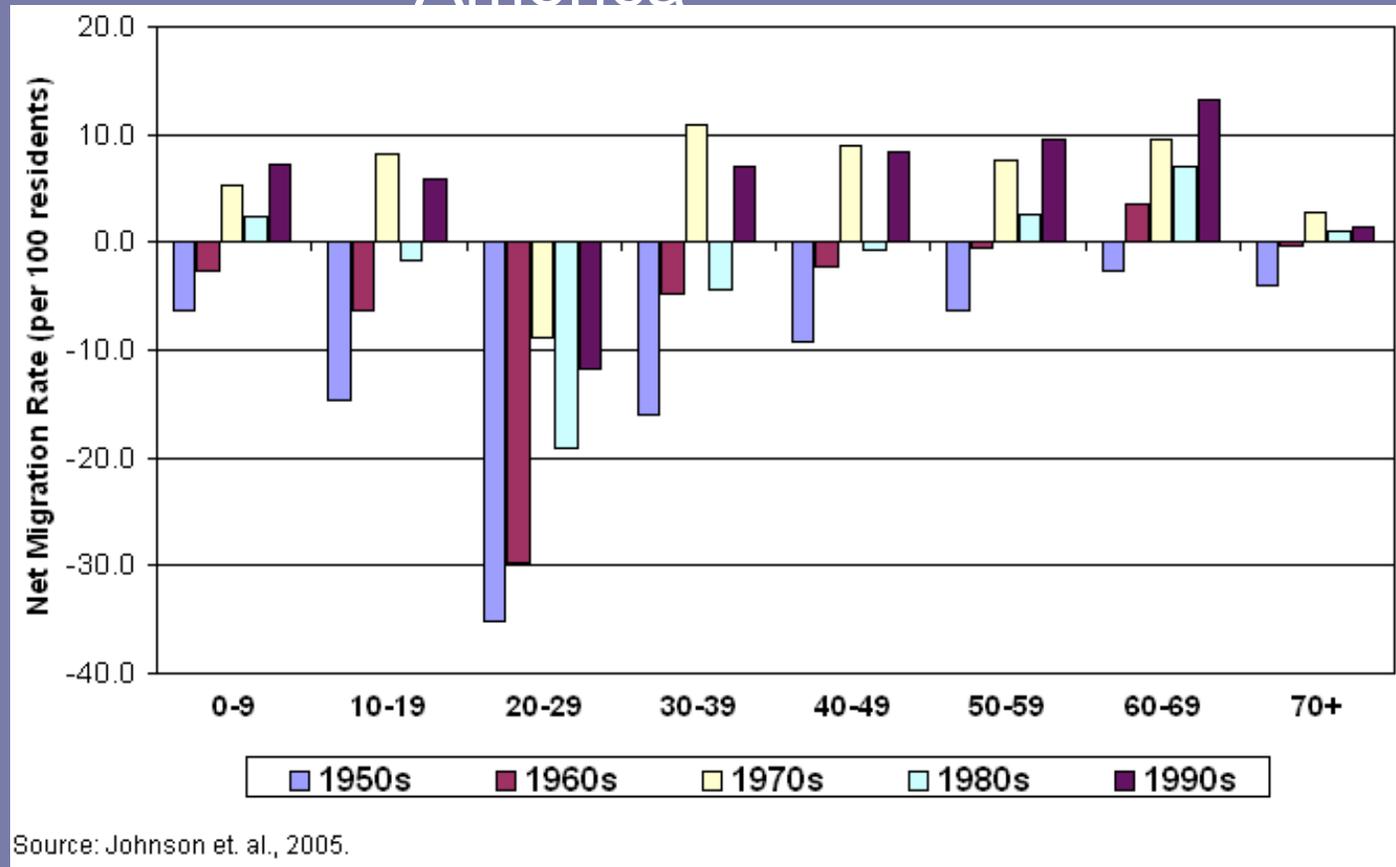


Today there are three rural Americas, each with its own challenges

- **Amenity rich areas** that are growing as baby boomers retire, as more people buy 2nd homes, and as “footloose professionals” choose to settle in small town communities with rich natural amenities or outside large cities
- **Declining resource dependent areas**, where once agriculture, timber, mining or related manufacturing industries often supported a solid blue collar middle class, even if there were busts that accompanied the booms
- **Chronically poor communities**, places with majority people of color, as well as Appalachia and the Ozarks, where decades of resource extraction and underinvestment in communities have left a legacy of poverty, low education and broken civic institutions

Overall, young adults continue to leave rural America

...while older people are coming in to rural communities. Three out of 5 of the 75 million baby boomers say they want to live in a small town.

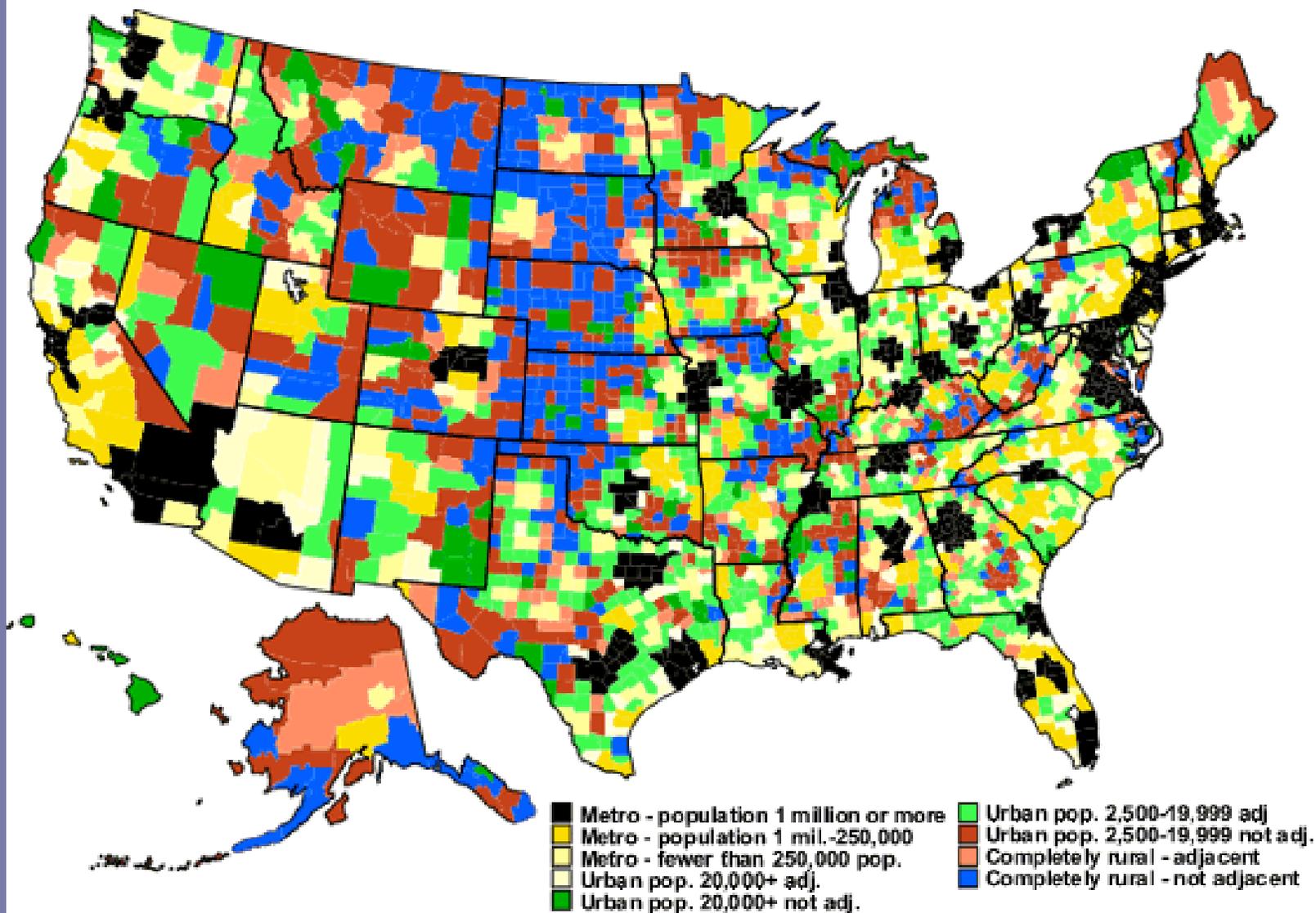


Source: Johnson et. al., 2005.

More remote rural areas face the biggest challenges

- The most rural and sparsely populated places are more likely to be
 - losing population,
 - persistently poor, and
 - to have an unskilled labor force with limited education that is deeply disadvantaged in the new global economy.

Rural-urban continuum codes, 2003



Source: USDA, Economic Research Service.

Amenity-rich areas are growing and likely to grow more over the next decade

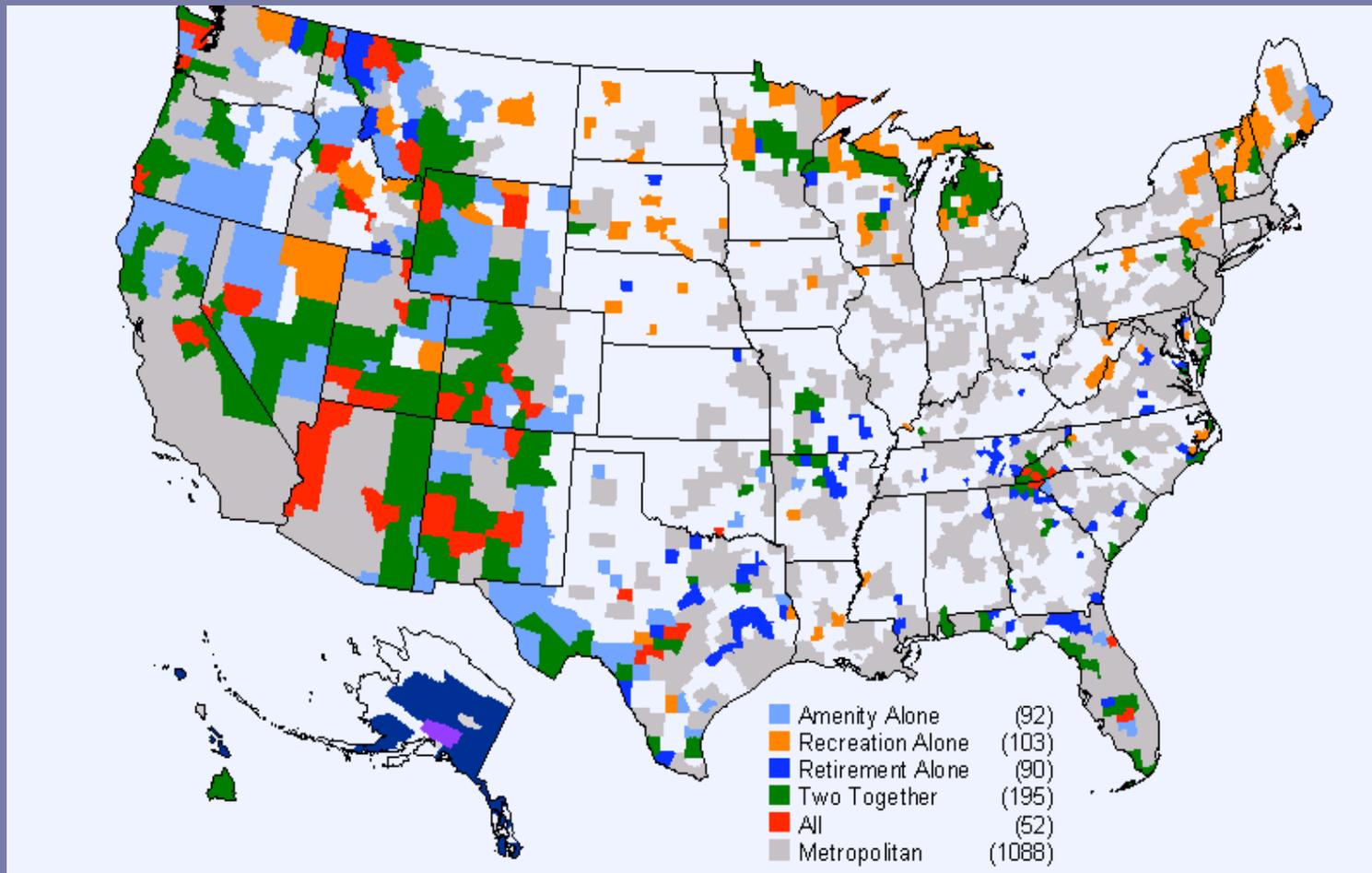
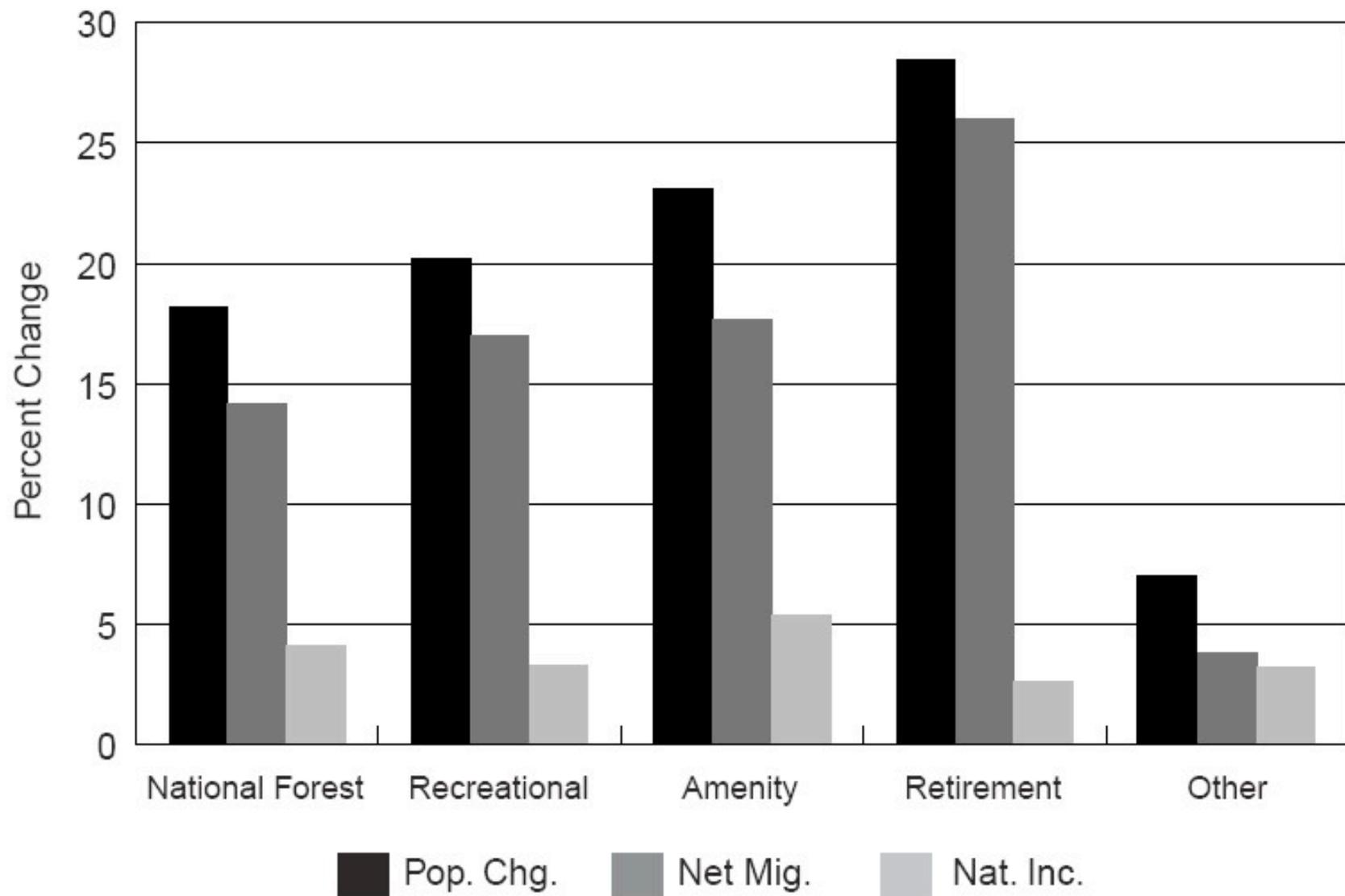


Figure 6. Demographic Change, 1990-2000, by County Type

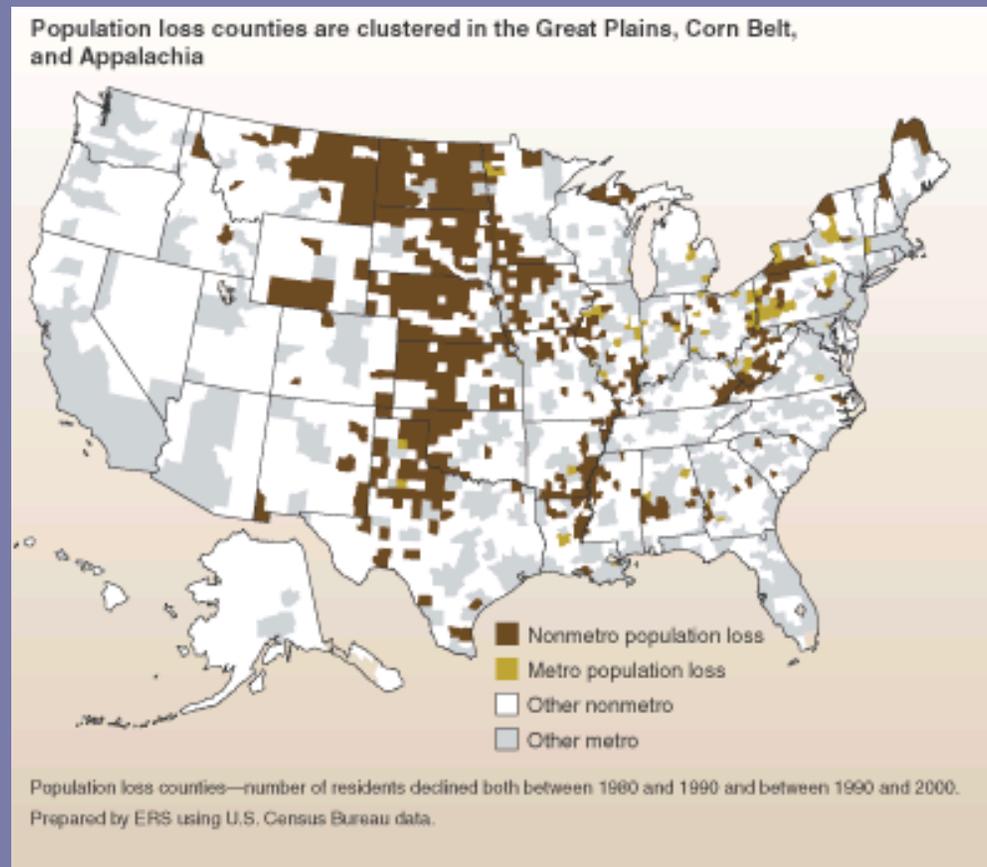


Analysis: K.M. Johnson, Loyola University-Chicago

Source: 1990 and 2000 U.S. Census; USDA Forest Service; USDA Economic Research Services; Johnson and Beale (2002).

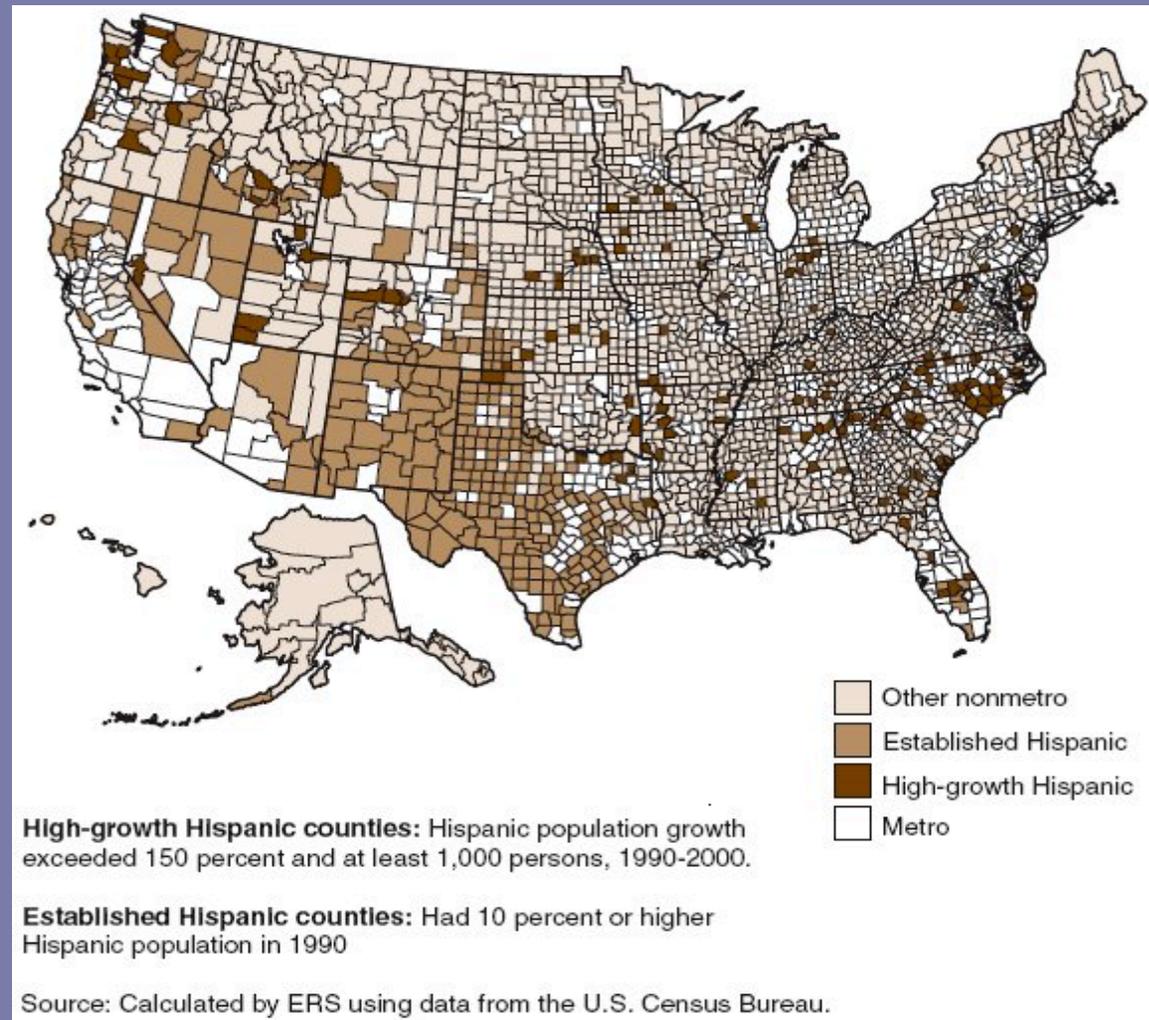
Persistent population loss plagues other resource dependent areas

- Loss is concentrated in the Great Plains, parts of the Corn Belt, the lower Mississippi Valley, and Appalachia

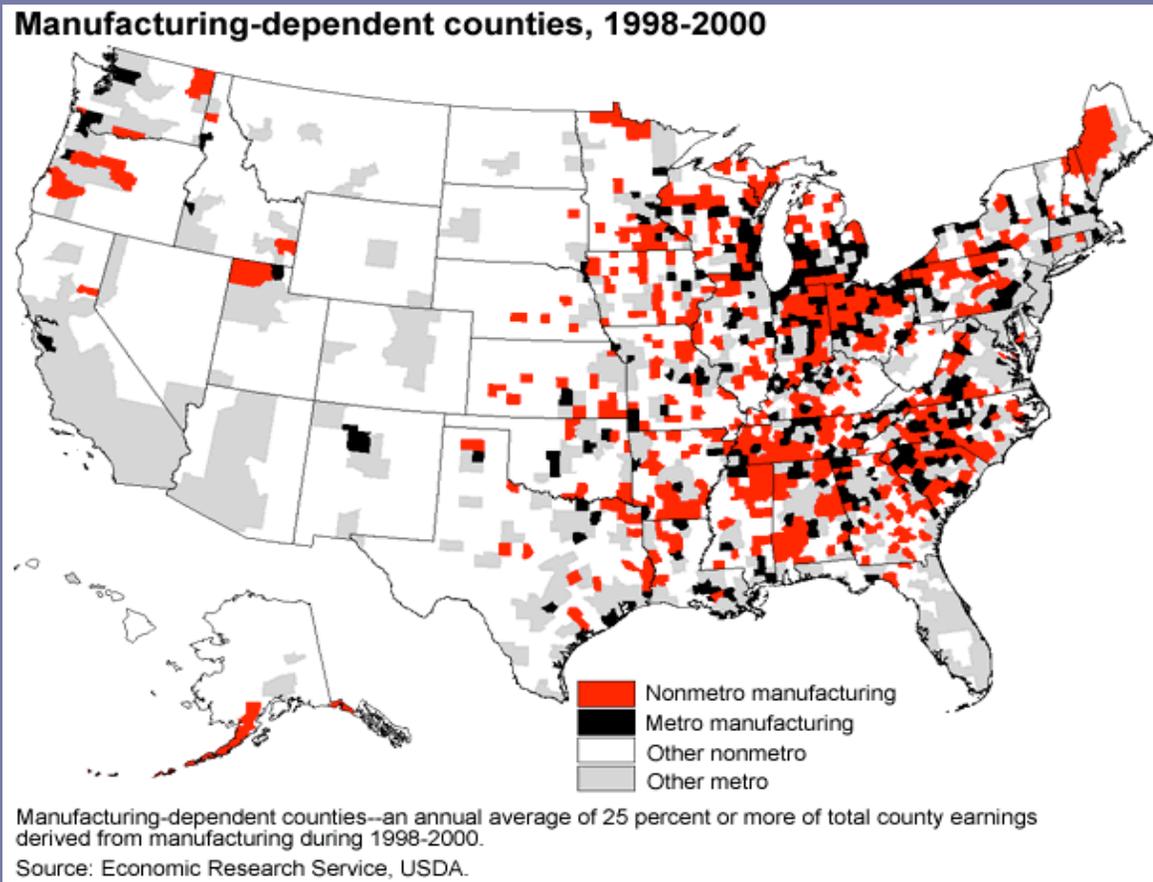


Rural America is growing more diverse

Hispanics
account for
one-third of
rural
population
increase since
2000

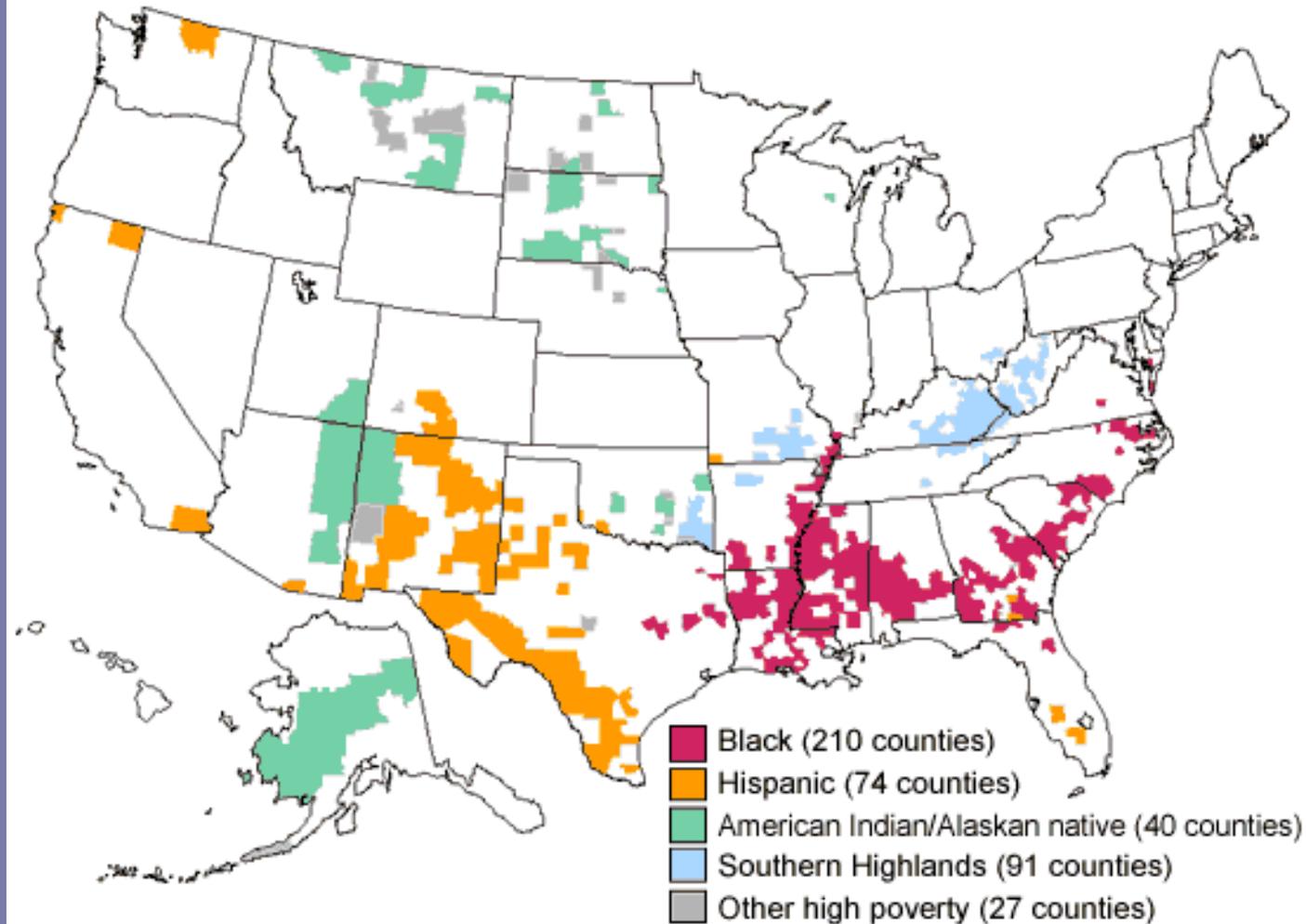


Globalization is hitting rural America hard -- 42% of all rural jobs are low skill and are vulnerable to globalization. Between 1997 and 2003, 1.5 million jobs were lost to fundamental industrial change, half in the South; the Northeast had the highest rate of job loss. Half of all rural jobs lost were in manufacturing.



Poverty has persisted across rural America for decades – especially among communities of color

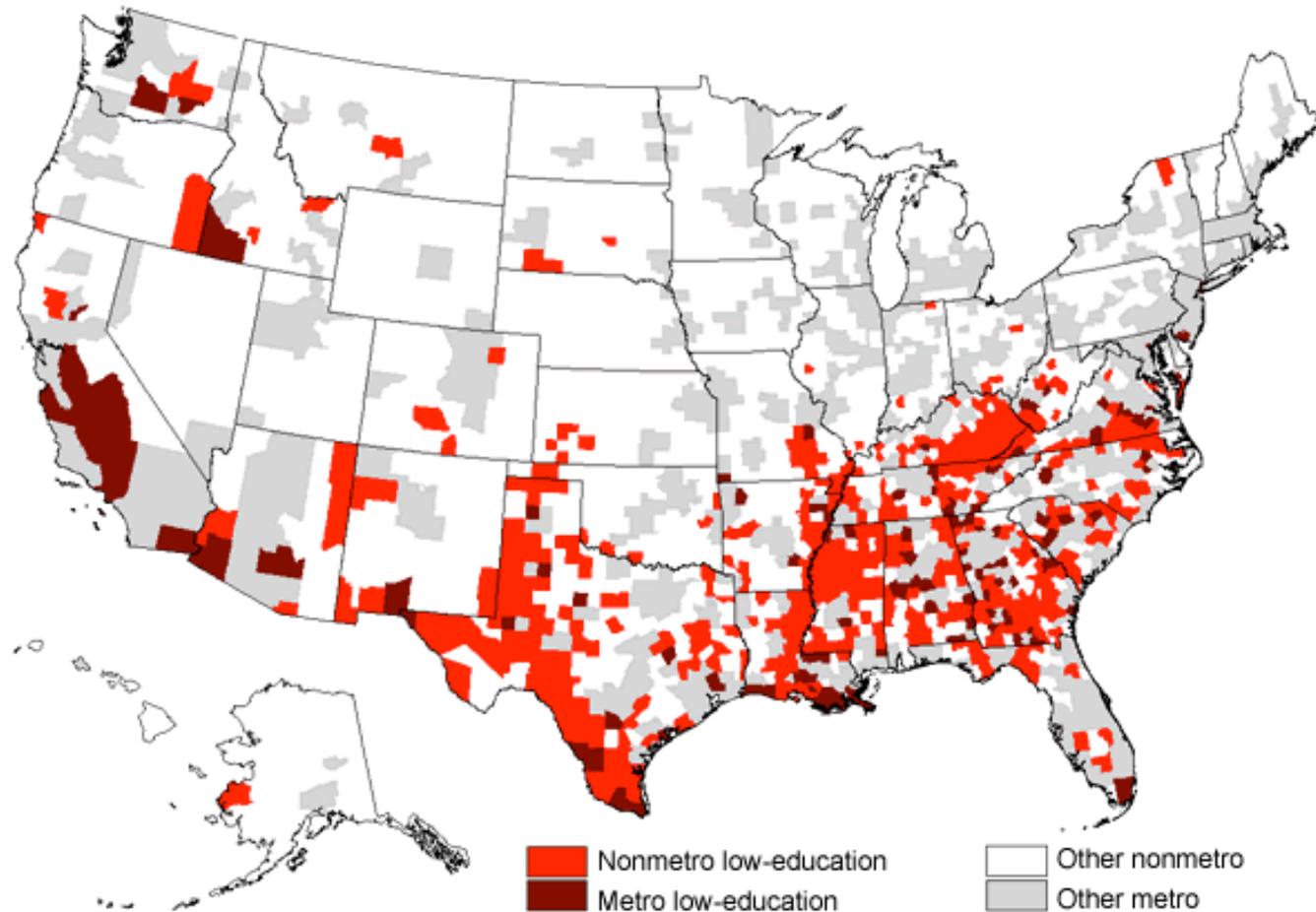
Nonmetro counties with high poverty, 2000



Source: Calculated by ERS using Census 2000 data, U.S. Census Bureau.
Note: High poverty is defined as a poverty rate of 20 percent or more.

Corresponding low education disadvantages whole regions in the new economy

Low-education counties, 2000



Low-education counties--25 percent or more of residents 25-64 years old had neither a high school diploma nor GED in 2000.

Source: Economic Research Service, USDA.

Development practitioners identify three major forces shaping change:

- Globalization and with it, the decline of traditional industries and disappearance of low skill jobs
- Migration both into and out of rural places and with this movement of people, new settlement patterns and demographics
- Chronic underinvestment and its consequences, including low education levels and ineffective governance and leadership

They are exploring new strategies

- Integrating equitable economic development with environmental stewardship – the “three E’s” of economic growth, equity and environment. Often this work entails a regional approach, since resource and environmental factors operate beyond local borders.
- Incorporating culture and heritage into development investments, recognizing the link between ties to the land and the cultural traditions valued by local residents and interesting to tourists.
- Building more inclusive civic culture that moves beyond old patterns of exclusion and localism. This work by development intermediaries and foundations is in direct response to stagnant leadership and youth out-migration or alienation.
- Strengthening policy awareness and activism – locally, regionally and nationally.

Implications for frontier communities

- Strategies will vary according to type of rural place.
- Community institutions are key.
- Lessons from poverty research

Civic Culture and Community Development

Poverty researchers have paid more and more attention to community factors, and their findings can inform community development.

Poverty is defined as the lack of adequate resources to participate in the accepted ways of society. Isolation and exclusion.

Poor places often lack a middle class and strong community wide institutions

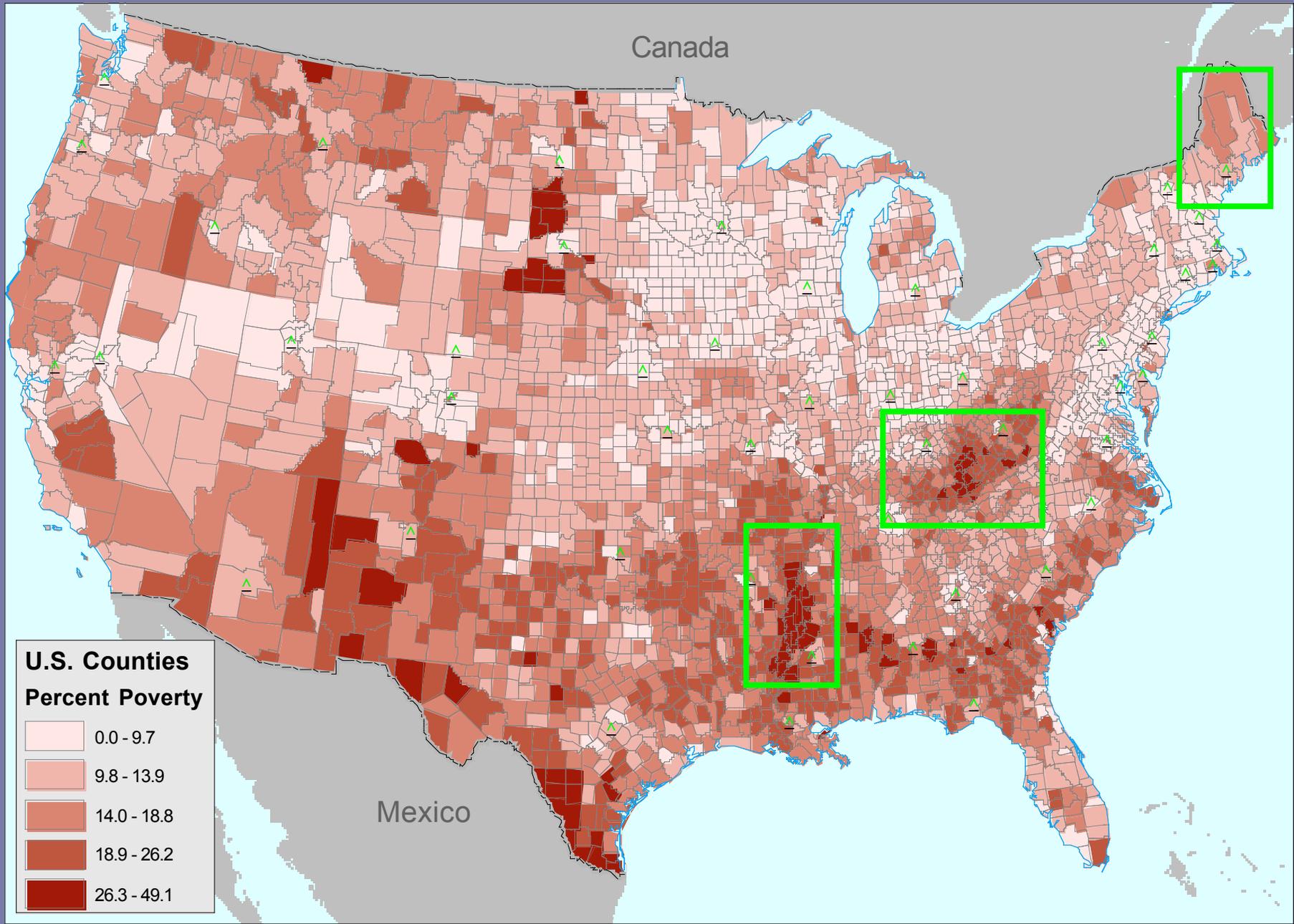
- Poor places like the 9th ward, Camden, NJ, East St. Louis, Appalachian hollows, the Delta and black belt in the deep South, Indian reservations, Colonias –
 - Few with resources to participate in economy, in civic life.
 - Small middle class
 - Community institutions often become source of jobs, control...patronage.`

Collective Efficacy

Urban researchers talk about collective efficacy as the “combination of a working trust and shared willingness of residents to intervene in social control” – or the “linkage of mutual trust” and “collective action for the common good.”

Robert J. Sampson et al.

Looking at poverty,
mobility and community
change in three rural
communities:
results from Worlds
Apart



Source: U.S.Census <http://www.census.gov/hhes/www/poverty/poverty.html> Map created in ArcGIS 9 using ArcMap

Persistently poor rural places are divided into the Haves and Have-nots.

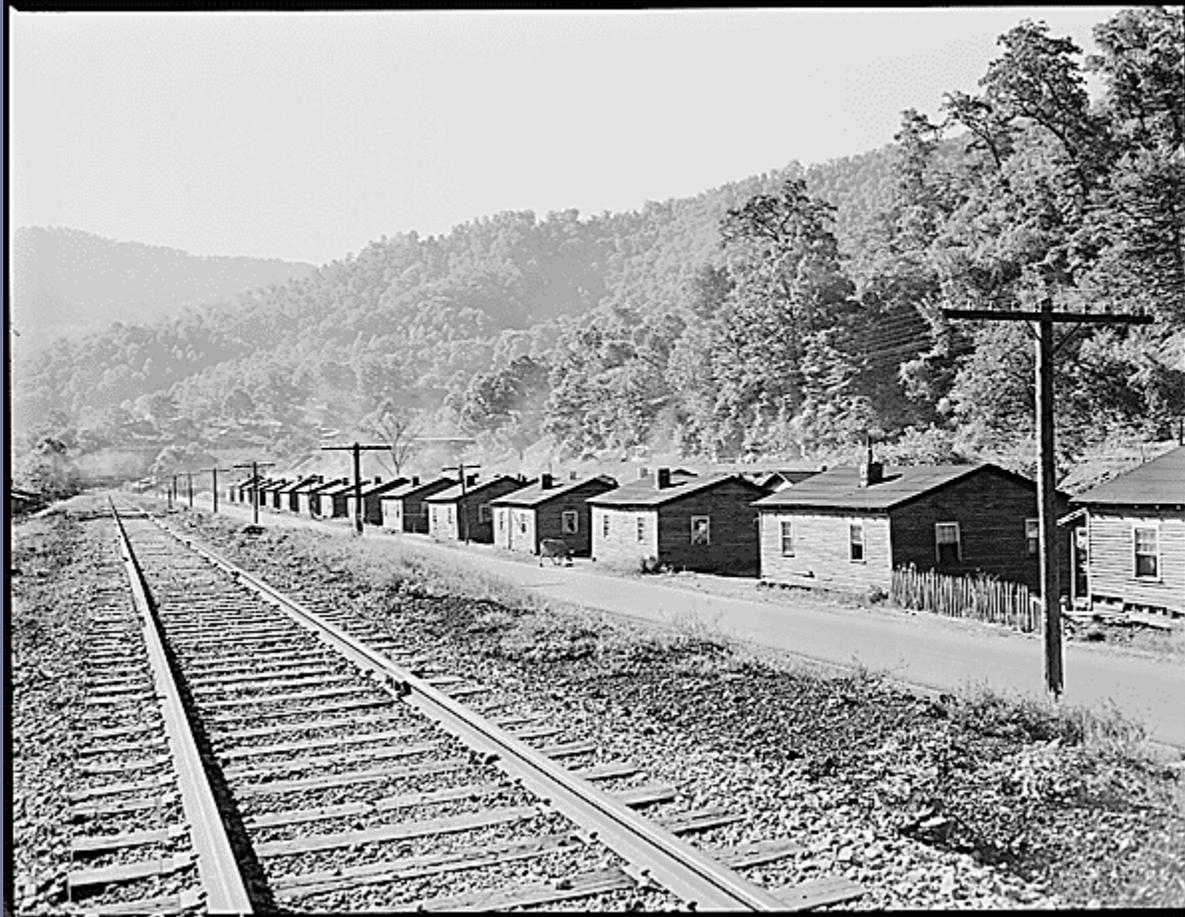
- The poor are socially isolated, worlds apart from the haves.
- They rely on different institutions, schools, churches.
- The poor do not develop the skills and contacts that they need to participate in the mainstream.

Class and politics in poor rural communities

- The middle class is a small group, and many of those with middle incomes ally themselves with the elite, holding themselves separate from the poor, using and investing in separate institutions like schools and churches that are just for people like them.
- There is no middle class holding public officials and employers accountable, and the public sector is corrupt. The publicly supported institutions are undermined by this corruption and lack of accountability, and fail to serve the poor well.

Civic Culture

- To what extent do people trust each other?
- To what extent do people from all walks of life participate in community affairs and decisions?
- To what extent do people invest in the community – spend time and resources building things that benefit others outside their own family?



Family name matters

- *“A lot of times you can hear somebody’s last name and before you even meet, you’ve already got the idea that they’re either a good person or they’re sorry as can be.”*
- *Those that have a family with a horrible name, when they come in, we know them, and they’re not worth two cents. They’re sorry as can be – Stealing, selling dope, bootlegging, picked up for driving drunk, in and out of bankruptcy court.”*

Separate Institutions

- A parent commented: *“Lower-income families emphasize sports more, like in the ghettos. Your higher-income families de-emphasize sports, and are interested in more academic, country club type things. There's a divide there.”*
- Life is family-based and church-based, and families and churches are grouped by social class.

Family, not community, concerns

“I see people very, very concerned about their own families, and their concern stops there. They’re strongly family oriented here. And they would do anything for their family.

They have a great concern for their own family. I've talked to my congregation. This concern ought to go beyond family.”

-- Minister in Appalachia



Haves and have-nots, no middle class

- Whites shopkeepers and tradespeople: there are three or four of us who are middle class
- Black leaders: our middle class are those who left.
- A deeply divided segregated community controlled by a few plantation bosses

Blacks are still vulnerable to white control

“If one of the blacks was to piss Jimmy off-you know he drives for a farmer-he could make it hard on him if he said something to his boss. He could make it really hard on the boy, make him get fired.

It’s just over here the blacks don’t have the opportunities that whites does. They’re really disgraded.”

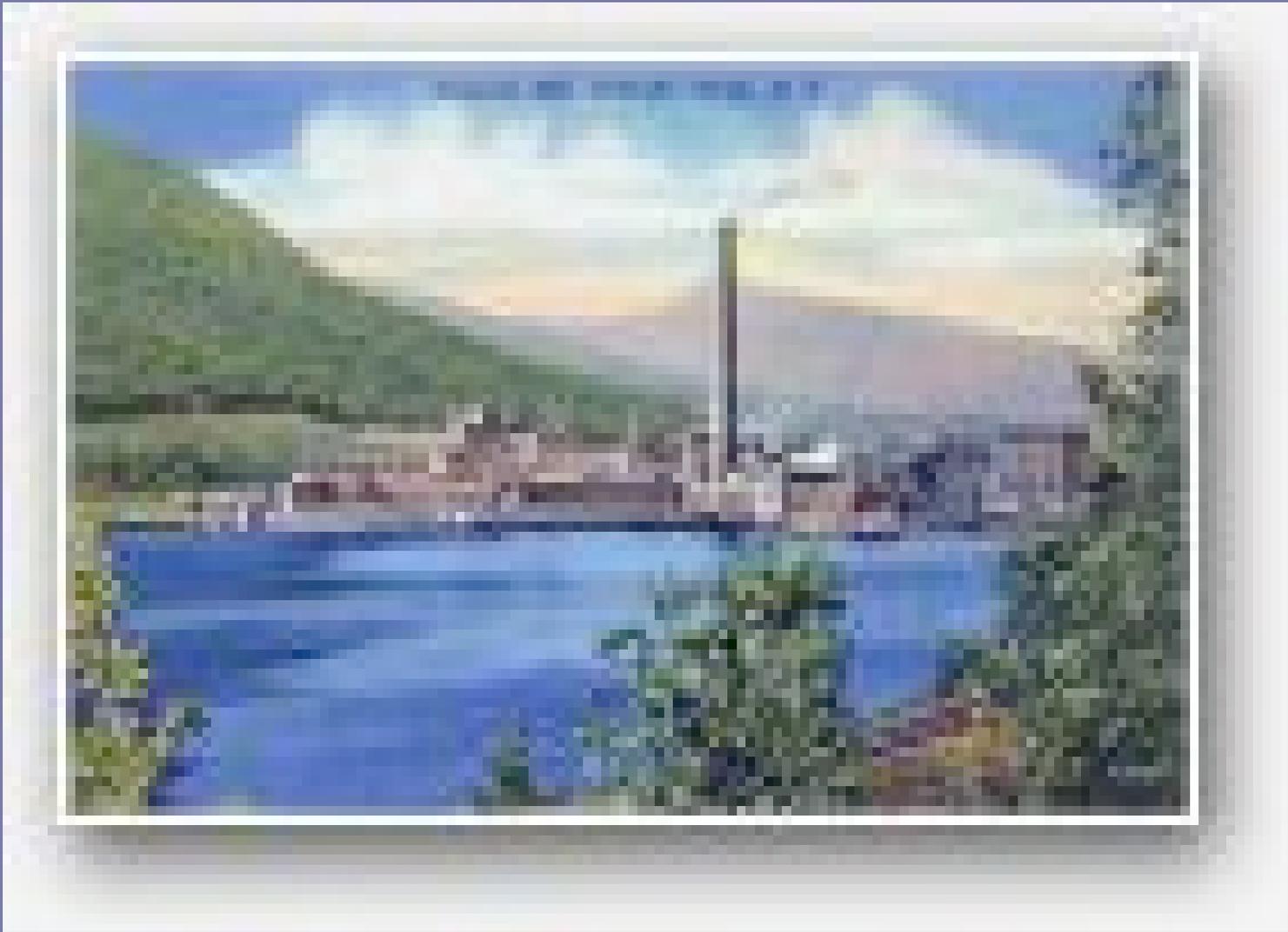
--Truck driver’s wife in the Delta

Change comes slowly

“Blacks who have known only the plantation and a life in which they relied on the bossman will vote with him out of habit and deference. ...

Uneducated people need to go through someone, they need to get help from Toms that have been there for a long time and the whites have gained control of them.”

--African American leader in the Delta



A longstanding blue collar middle class

“We're a working community... There's very little difference between people... That's one nice thing about the town, that there doesn't seem to be any class-level distinctions. We have a broad, working middle-class. Most of the people who live here feel that they're part of the community.”

You know the people next door and you trust the people next door. We're a small, somewhat isolated community, and therefore, people tend to get along, are open with each other.”

-- small business leader in northern mill town

Civic Culture is critical for community development: trust, participation, investment

- Civic culture thrives when there is a stable middle class
- Inequality undermines the public sector, the “public or social goods,” the community institutions on which the poor rely to improve their life chances.

Amenity rich frontier communities

- Amenity rich communities can combine stewardship of natural resources with development of their cultural history and heritage.
- Challenges:
 - Ensure investment in collective institutions that benefit whole community – no “gated” communities.
 - Engage newcomers.
 - Ensure living wages and affordable housing.

Declining resource dependent and low wage manufacturing areas

- Advantages and assets: relatively strong human and civic capital.
- Challenges:
 - To identify new economic opportunities and niches that can attract and retain young adults and other working age adults and their families
 - Regional energy and food demands may offer an opportunity.
 - New Homestead Act like efforts to offer incentives for small town living.
 - Continued investment in key institutions is crucial.

Chronically Poor Frontier Communities

- Enormous challenges – human capital and civic culture often weak and broken.
- Resources from outside especially important to invest in children and youth:
 - Early childhood education;
 - Youth development, including national service
 - Charter schools or other educational interventions
- Workforce training and work supports.
- Potential stewardship and environmental health initiatives?
- Health sector might be a growth sector?

Focus on strategies that integrate stewardship and development

- Without low skill manufacturing rural areas must look “back to” their natural assets
- There is growing national and int’l concern about the environment – forests help with carbon sequestration and keep watershed healthy, consumers more and more want organic food, sustainable economic activity overall.
- Concerns about food and energy security suggest regional food systems and renewable energy, including bio-fuels, make sense. Scale matters for development.
- The new knowledge economy is somewhat “footloose” and rural communities with natural amenities and strong community institutions have advantages.

Strong community institutions are key for people and places

- Participation is vital – without it you have poverty and stagnation, “lost children” as one Kentucky judge put it...
- Development economist Hirschman: exit, loyalty, and voice
- Voice, participation and investment in the community, building the civic culture.

Frontier Communities Annual Meeting
May 31, 2007

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*Building Knowledge for Families and
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