

# **Poverty and Development in Rural America's Frontier**

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**The Carsey Institute**

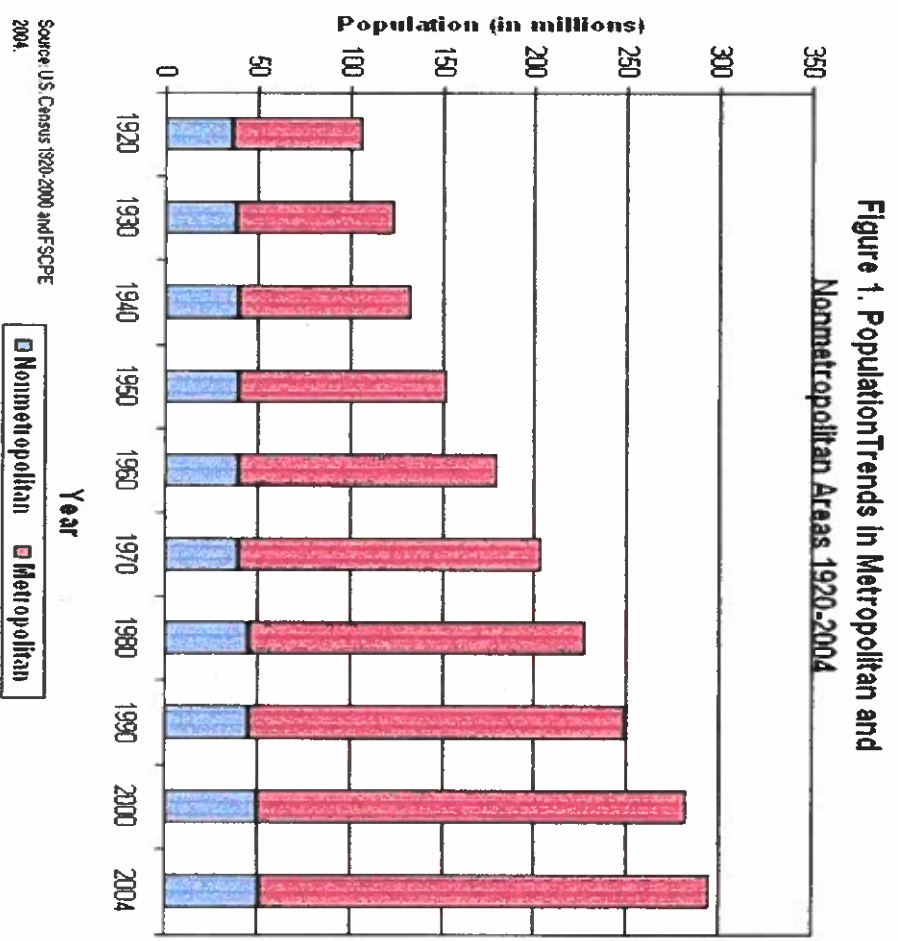
**May 27, 2010**

## This morning I will

- Describe rural America as a context for thinking about poverty and change in frontier communities; and
- Consider how people get trapped in poverty and what that means for development and change.

# 50 million people live in small town and rural communities

- 17% of the U.S. population on 80% of the land
- Slow, modest growth, though trends vary by type of community
- Over 7 million are poor in rural America

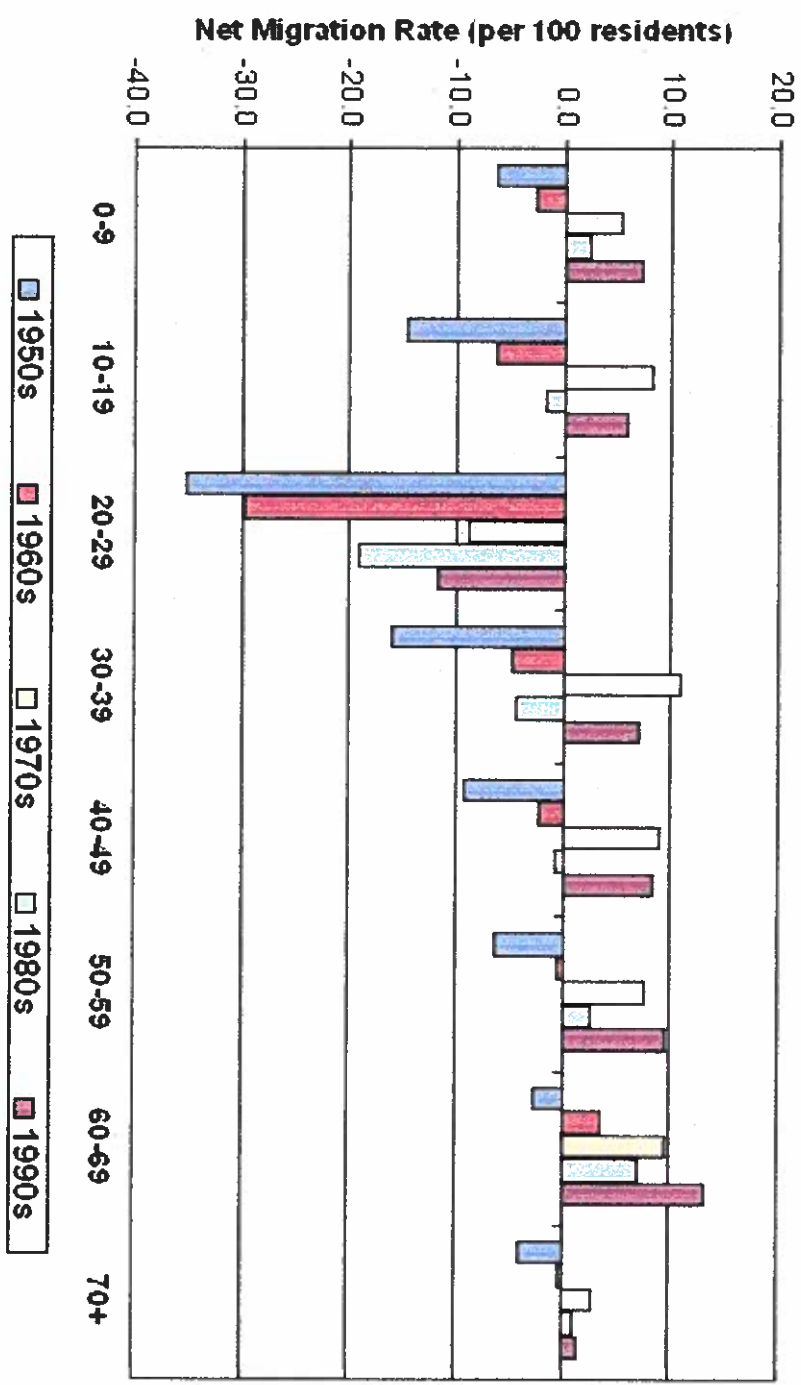


## Big challenges in rural America – even before the downturn really hit

- Economic challenges Loss of blue collar jobs, decades of no investment in poor areas
- Demographic changes Aging, outmigration of young, areas where natural decrease is the pattern, a growing immigrant population
- Environmental pressures Environmental degradation, stress on natural resources, climate change; *potential*: in local food & energy

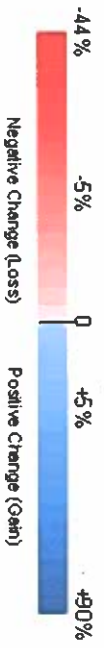
# Demographic shifts: the young have always left

Recently, youth outmigration is declining overall... 80% of youth in a recent Penn study left. Older groups are coming into rural communities

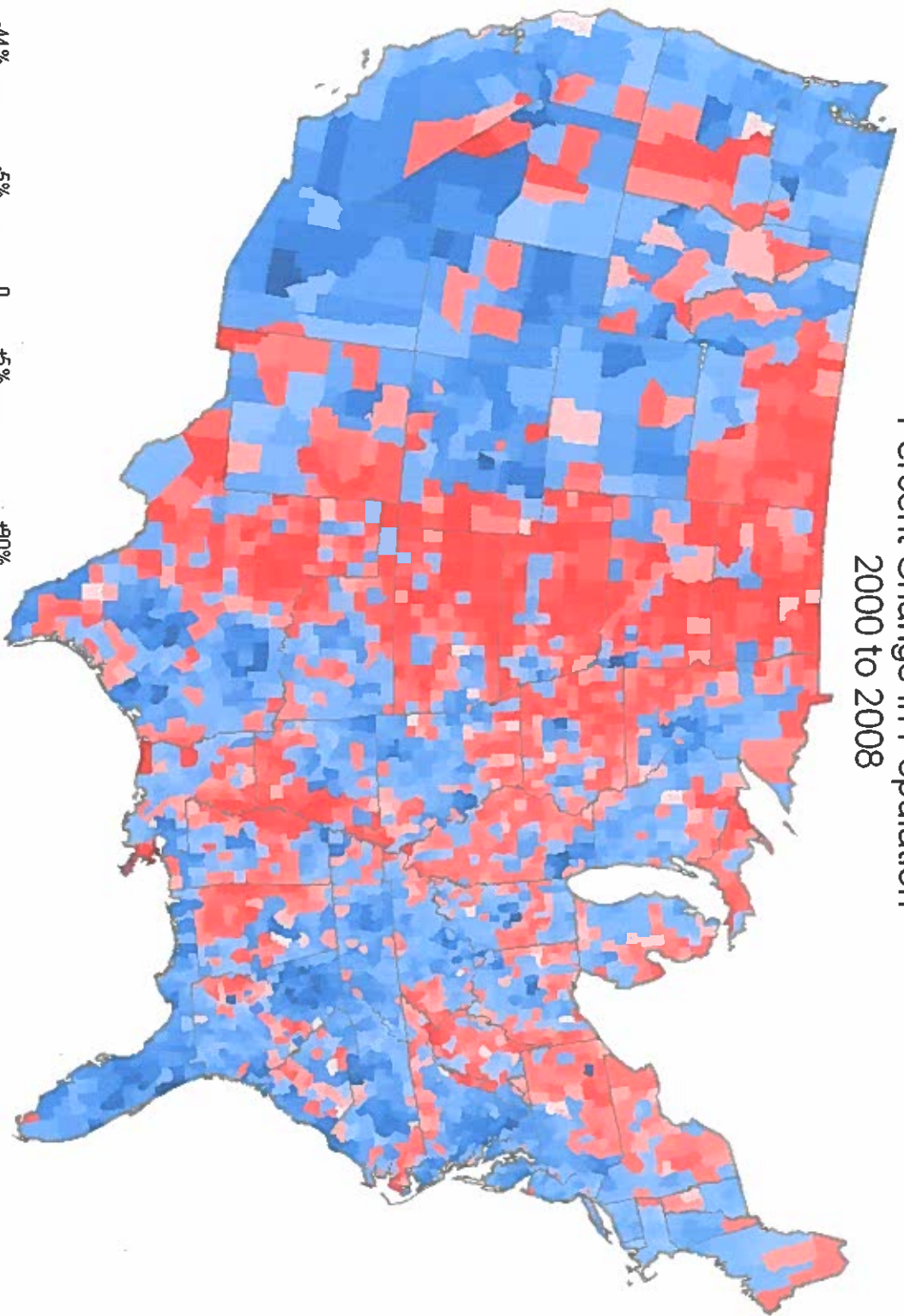


Source: Johnson et al., 2005.

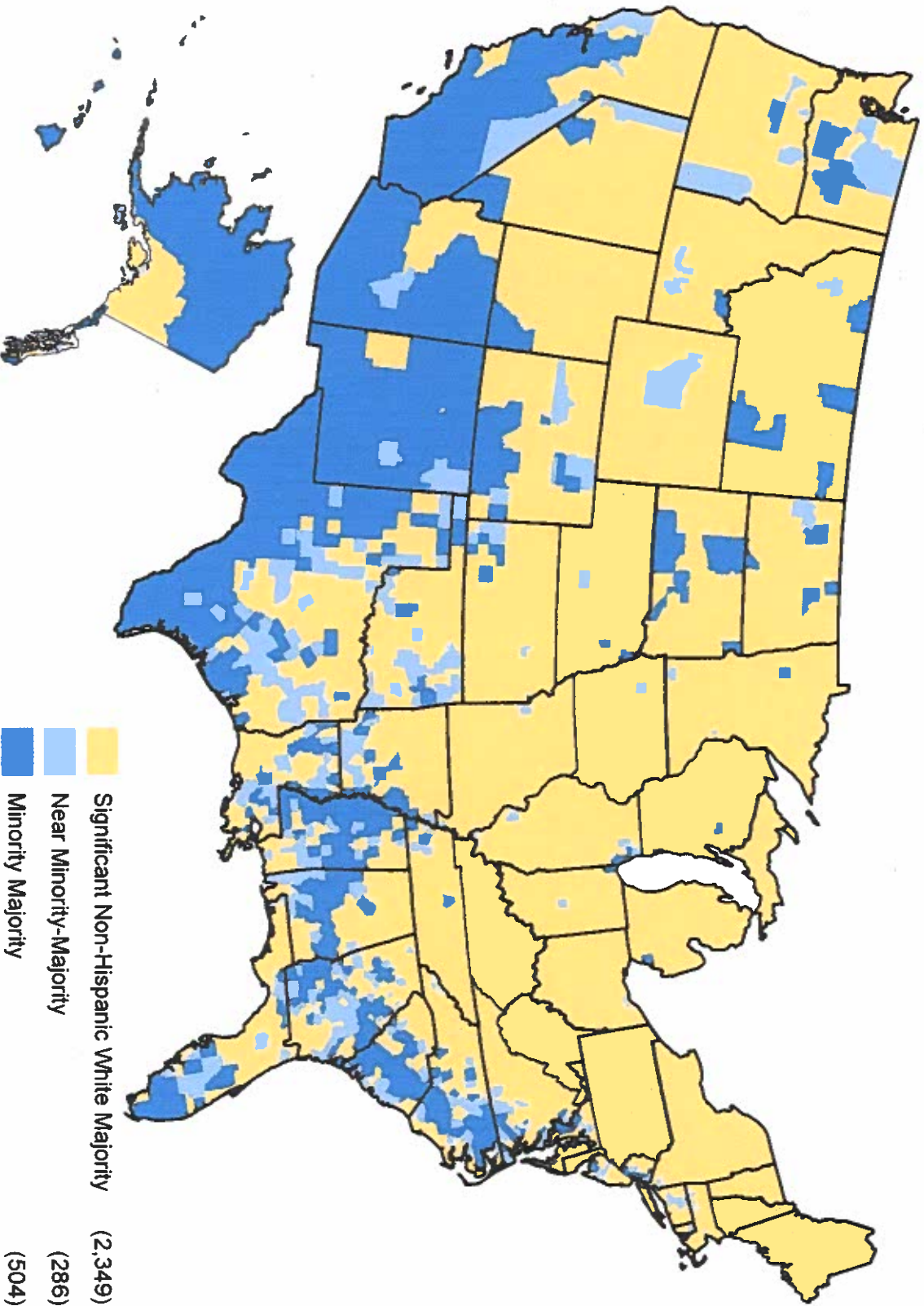
# Percent Change in Population 2000 to 2008



Source: Census Bureau, 2000 FSCPE

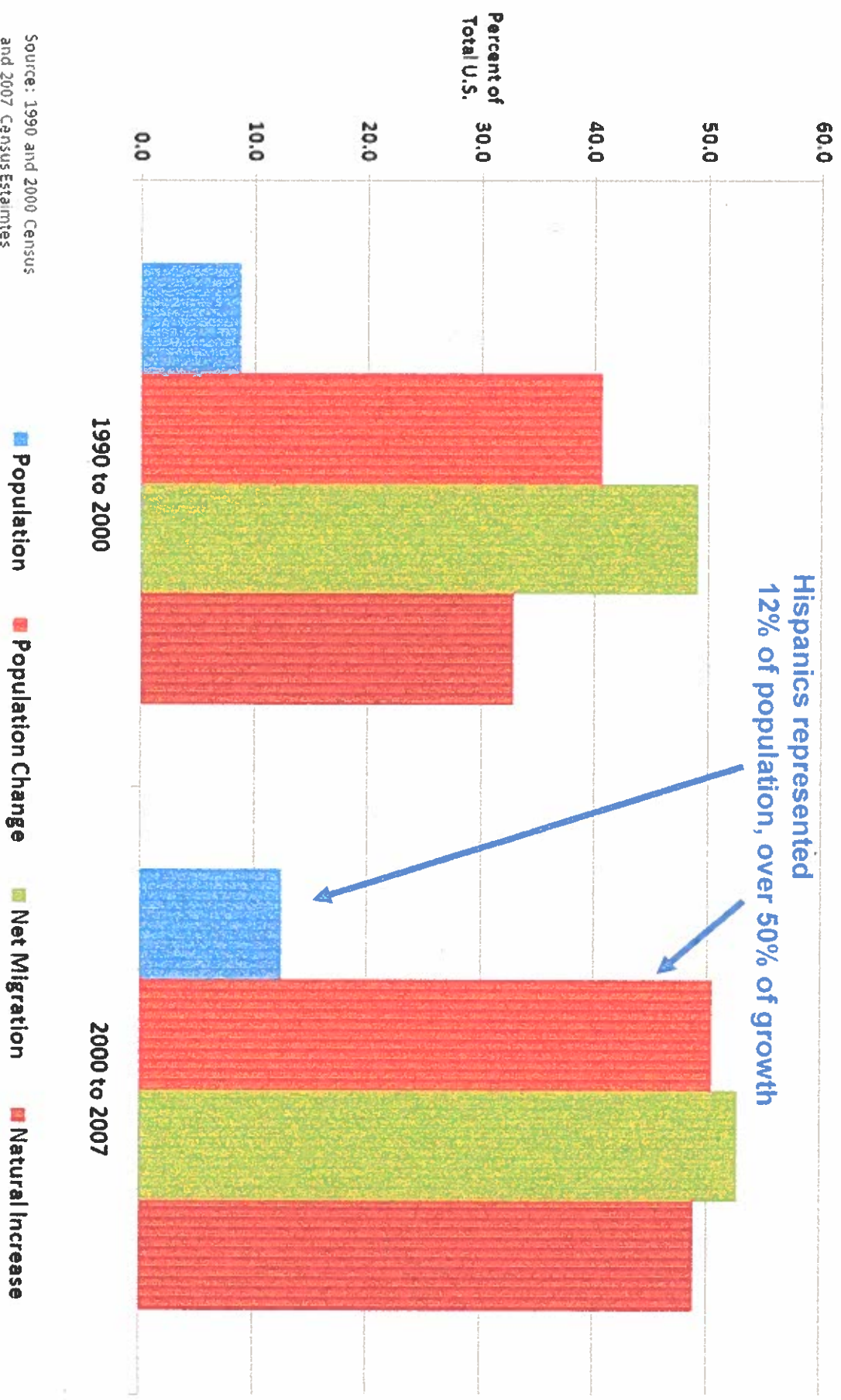


# Distribution of Minority and Non-Hispanic White Population under Age 20, 2008



Analysis: K.M. Johnson, Carsey Institute, Univ of New Hampshire  
Data: U.S. Census Bureau, Population Estimates

## Hispanic Percentage of U.S. Population and Demographic Change, 1990-2000 and 2000-2007

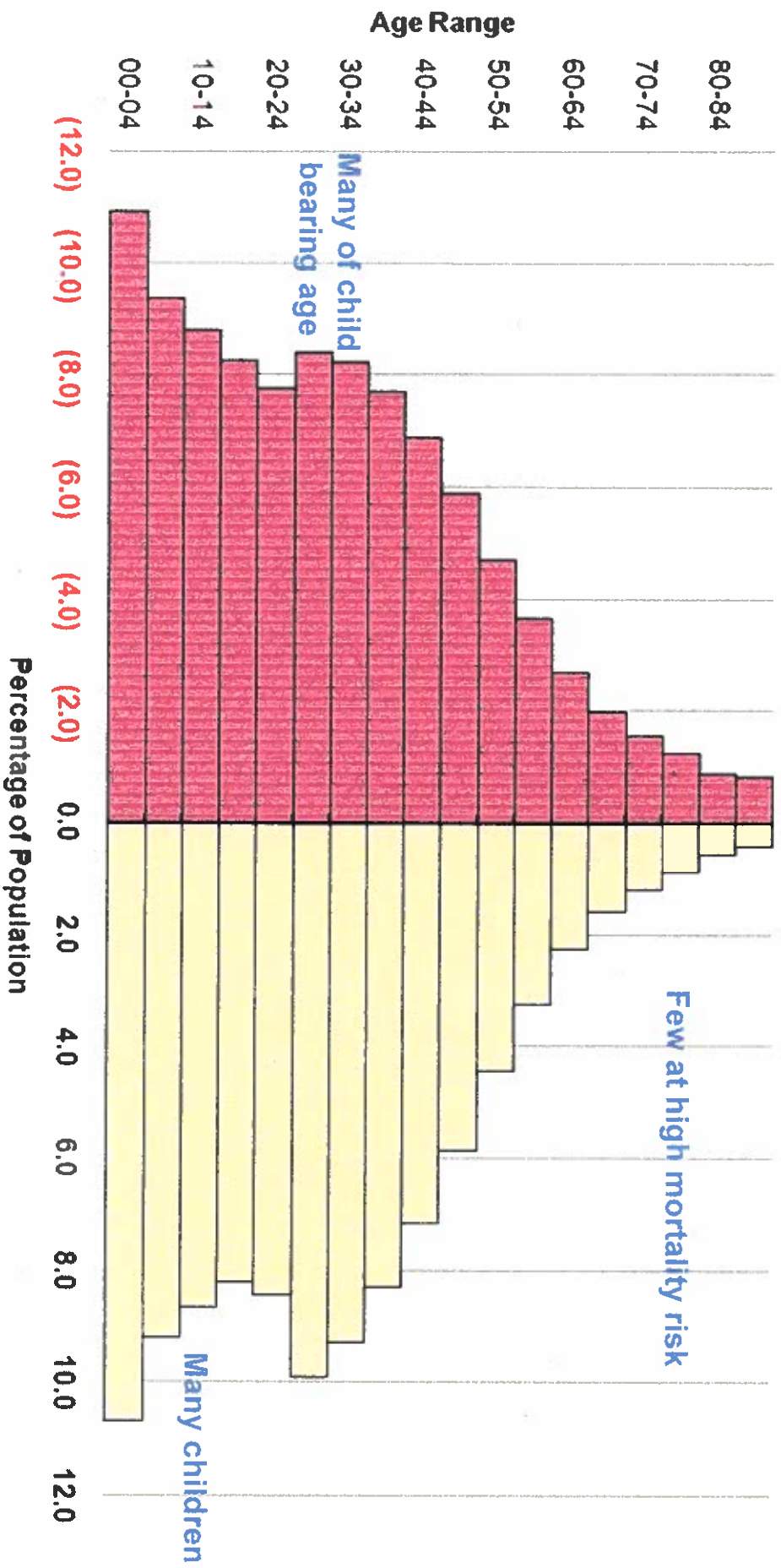


Source: 1990 and 2000 Census and 2007 Census Estimates

Figure 2.



# Age Pyramid Hispanics (2007)



Analysis: K.M. Johnson, Carsey Institute  
 Data: U.S. Census Bureau Population Estimates

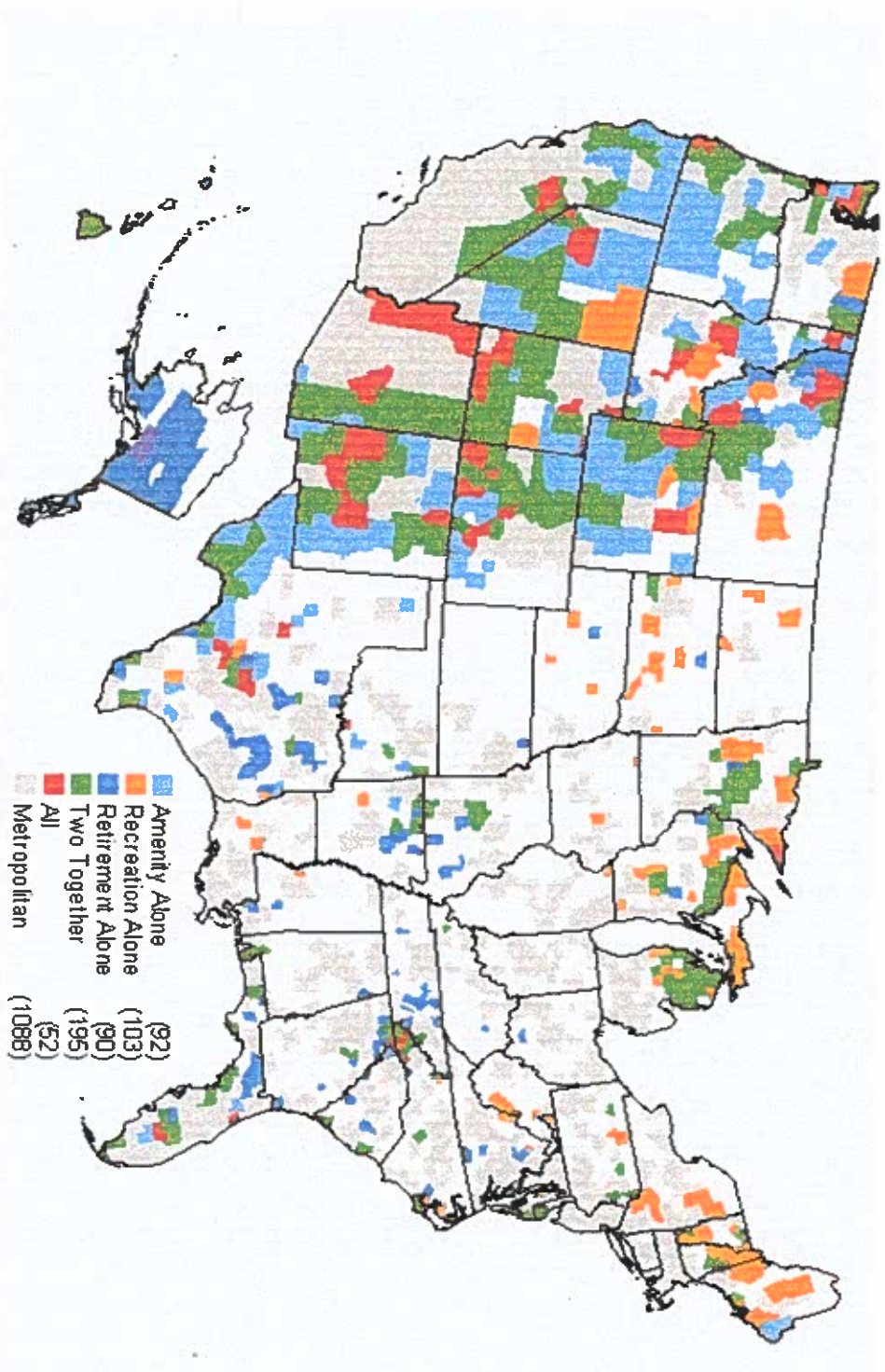
■ Hispanic Women    □ Hispanic Men

Population = 45,504,311

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

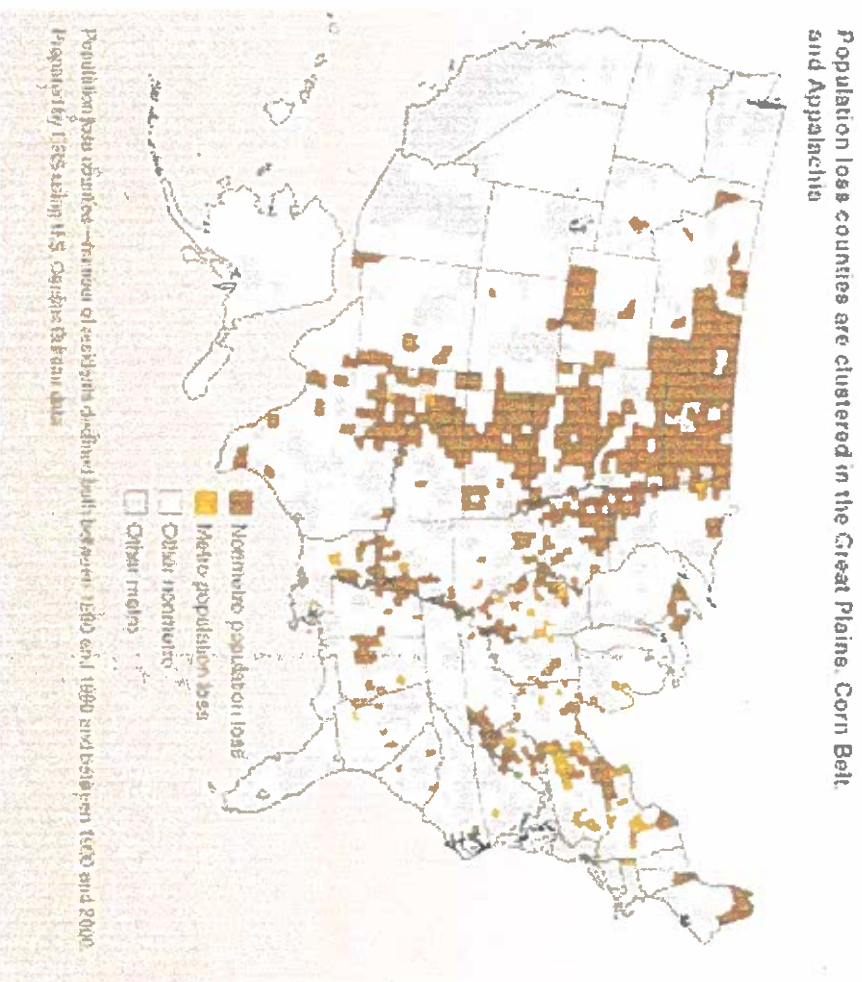
- **Amenity rich areas**
- **Declining resource dependent areas**
- **Transitioning areas with amenities**
- **Chronically poor communities**

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



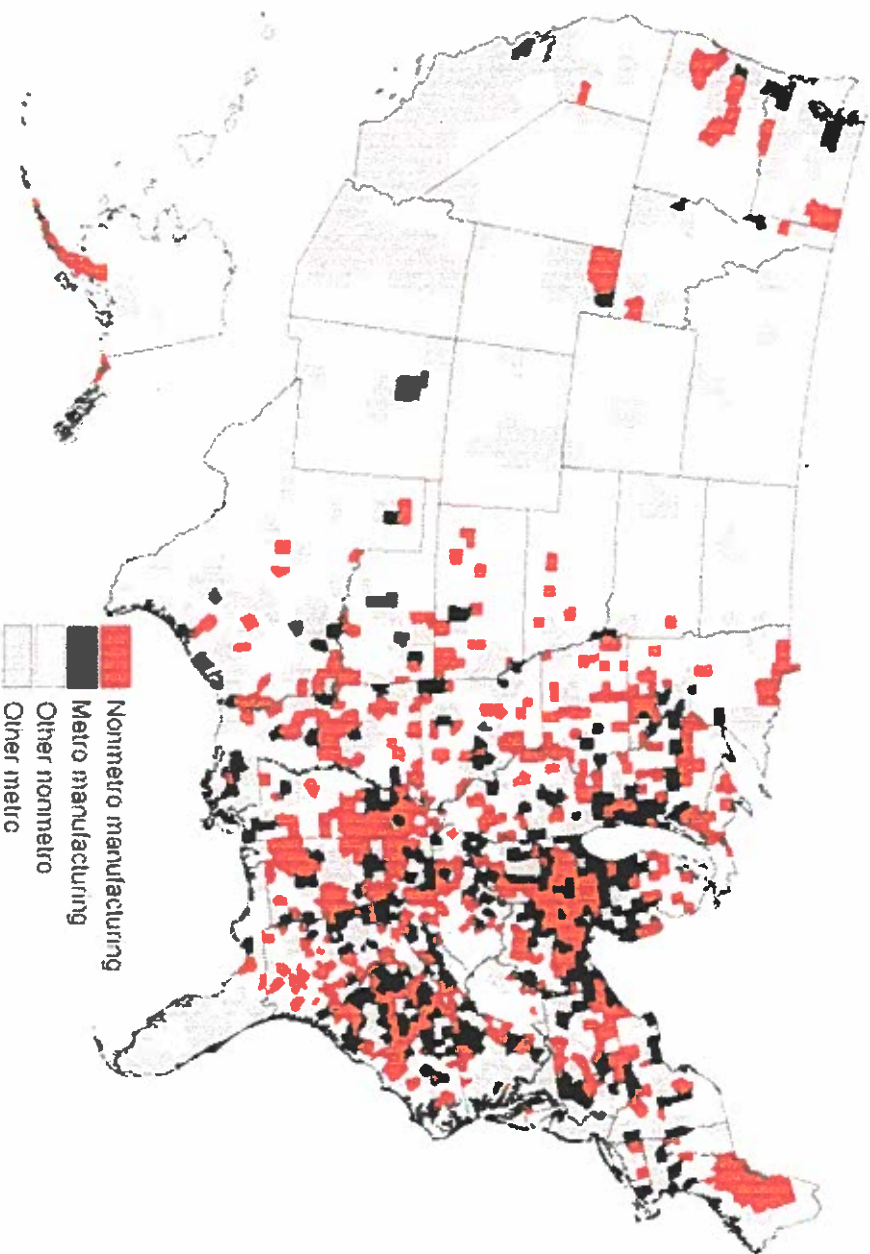
# Persistent population loss plagues other resource dependent areas

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



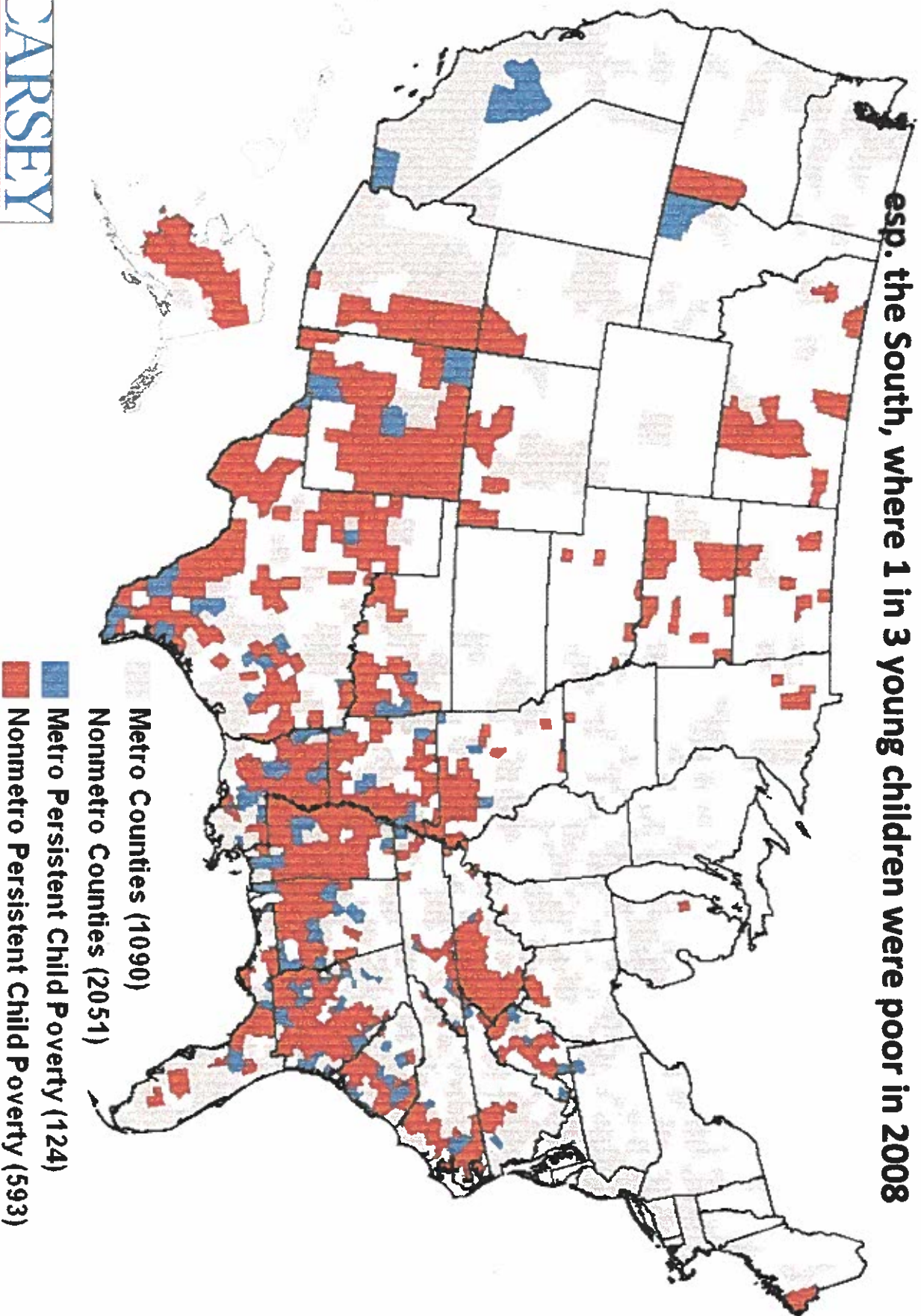
**Rural America has depended on low skill manufacturing – the jobs threatened by globalization (42% of rural jobs are low skill)**

**Manufacturing-dependent counties, 1998-2000**

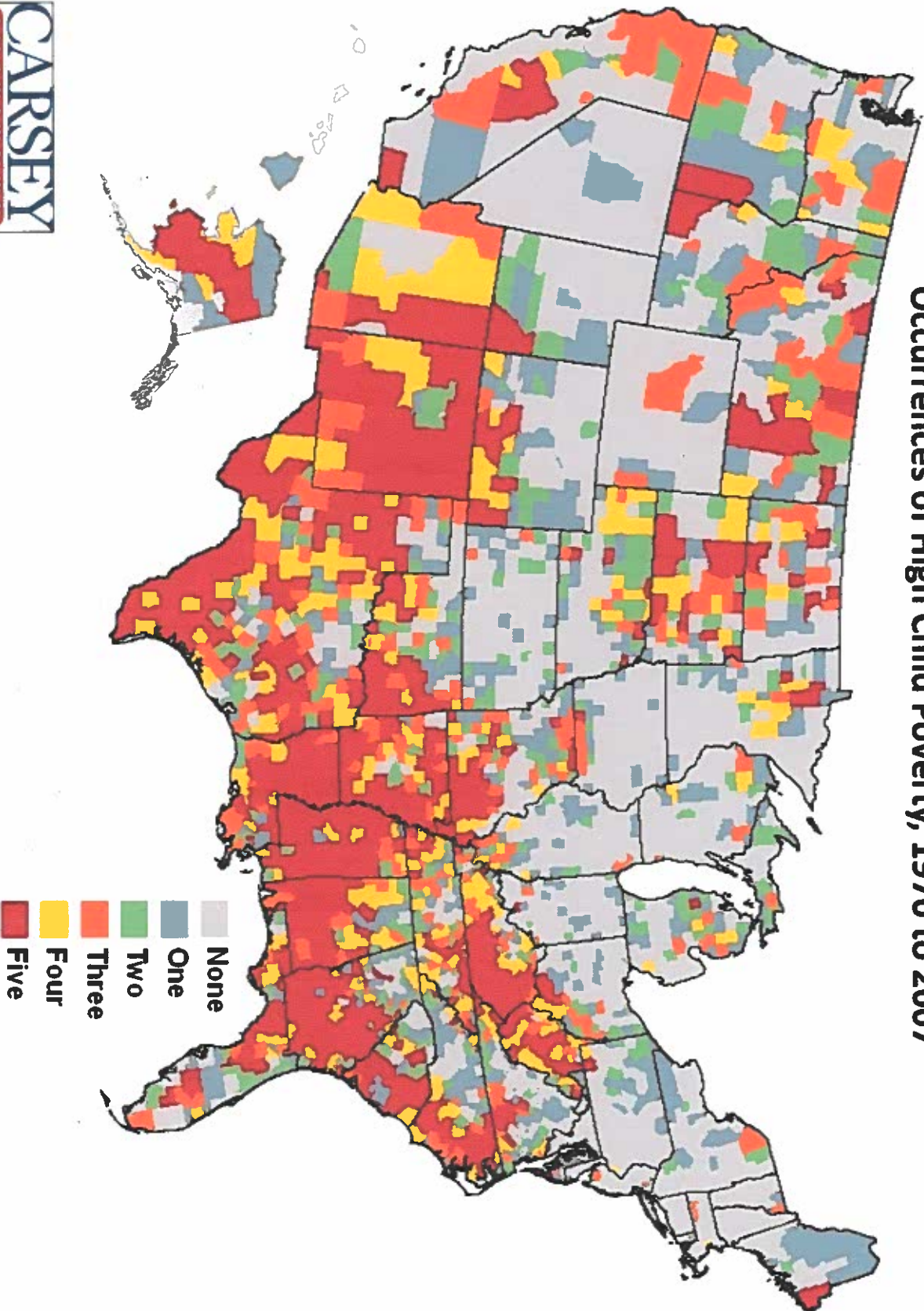


Manufacturing dependent counties -- an annual average of 25 percent or more of total county earnings derived from manufacturing during 1998-2000  
Source: Economic Research Service, USDA

**Child poverty persists in much of rural America (1970 to 2007), esp. the South, where 1 in 3 young children were poor in 2008**



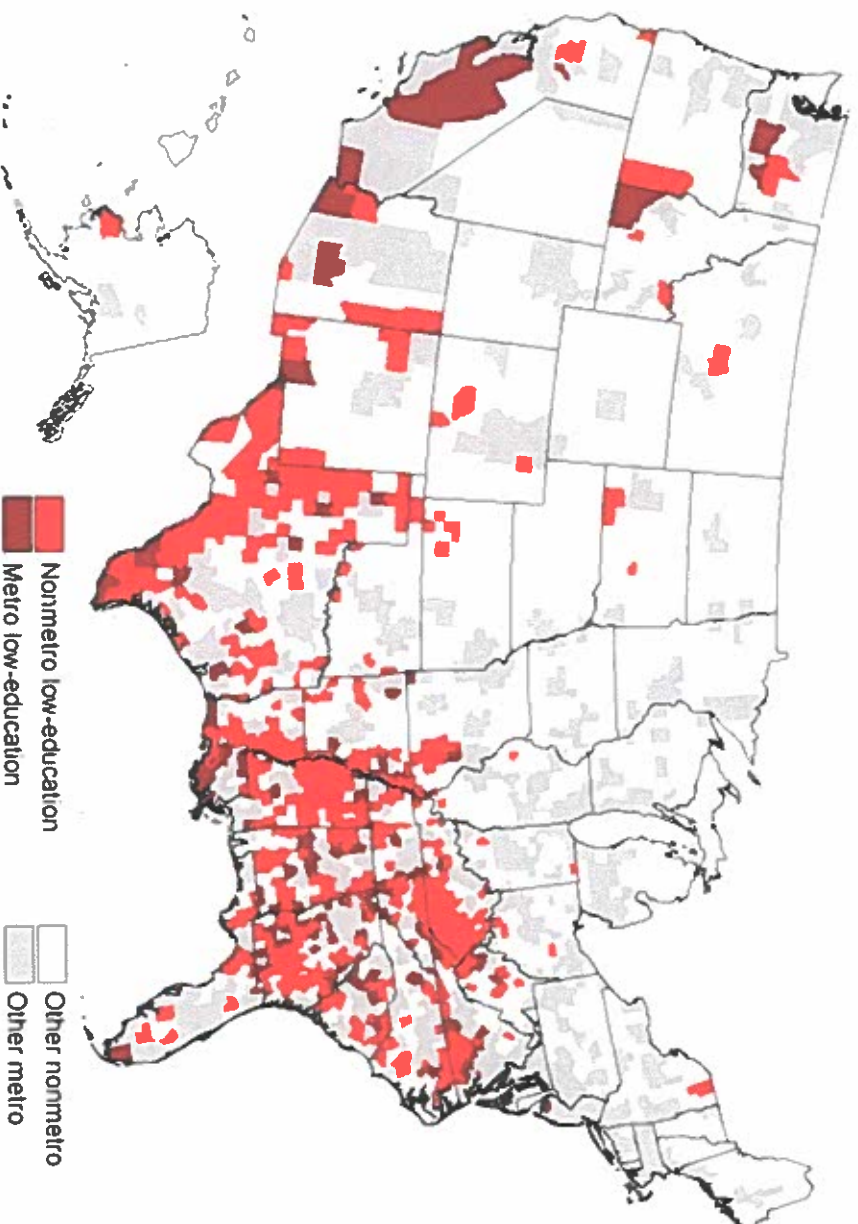
# Occurrences of High Child Poverty, 1970 to 2007



Data: Census data supplied by USDA-ERS and SAIP, 2007

# Poverty and low education go together, and are a big disadvantage in the new economy

Low-education counties, 2000

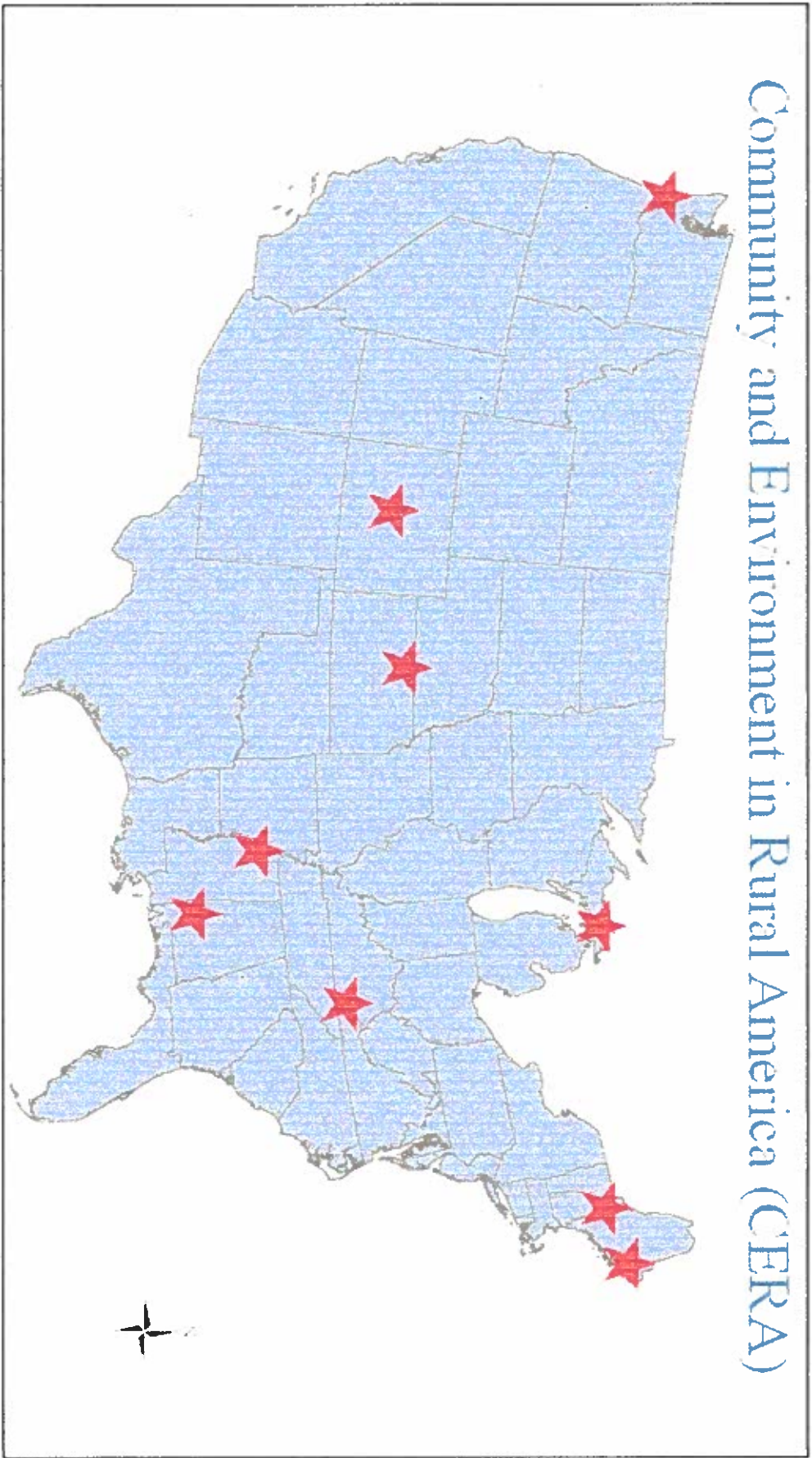


Low-education counties--25 percent or more of residents 25-64 years old had neither a high school diploma nor GED in 2000.

Source: Economic Research Service, USDA.

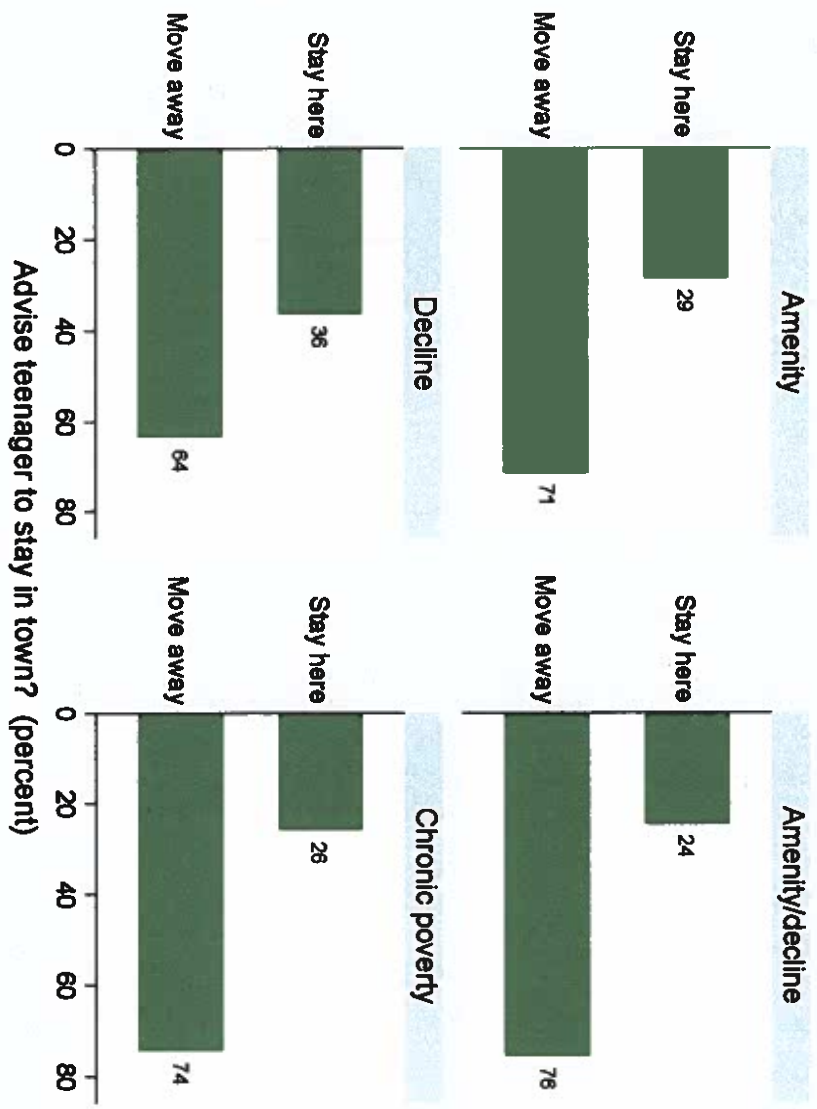


Community and Environment in Rural America (CERA)

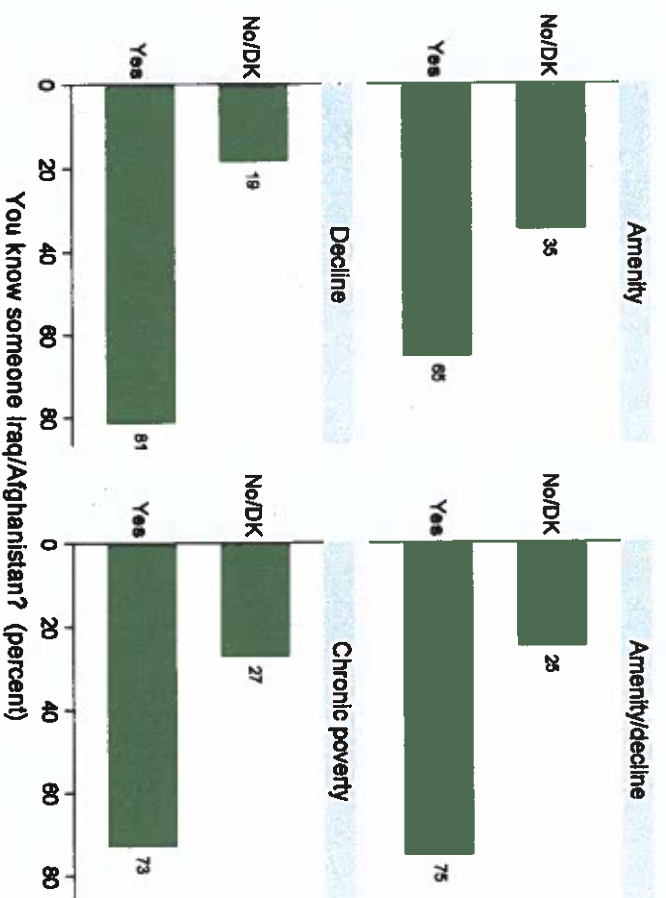


REGION/TYPE	POP% CHANGE 1990-2005	% CHANGE IN POPN AGE 25-34 1990-2005	% AGE 16-64 WORKING 2000	% w/o HS DIPLOMA 2000	% IN POVERTY 2004
ROCKY MOUNTAINS/ AMENITY- BOOM	71%	41%	72%	9%	10%
NORTHEAST/ AMENITY- DECLINE	3%	-24%	73%	20%	12%
MIDWEST/ DECLINE	-19%	-50%	78%	14%	11%
APPALACHIA	-12%	-28%	43%	41%	27%
DELTA	-3%	2%	56%	40%	29%
BLACK BELT	-4%	-21%	54%	32%	22%

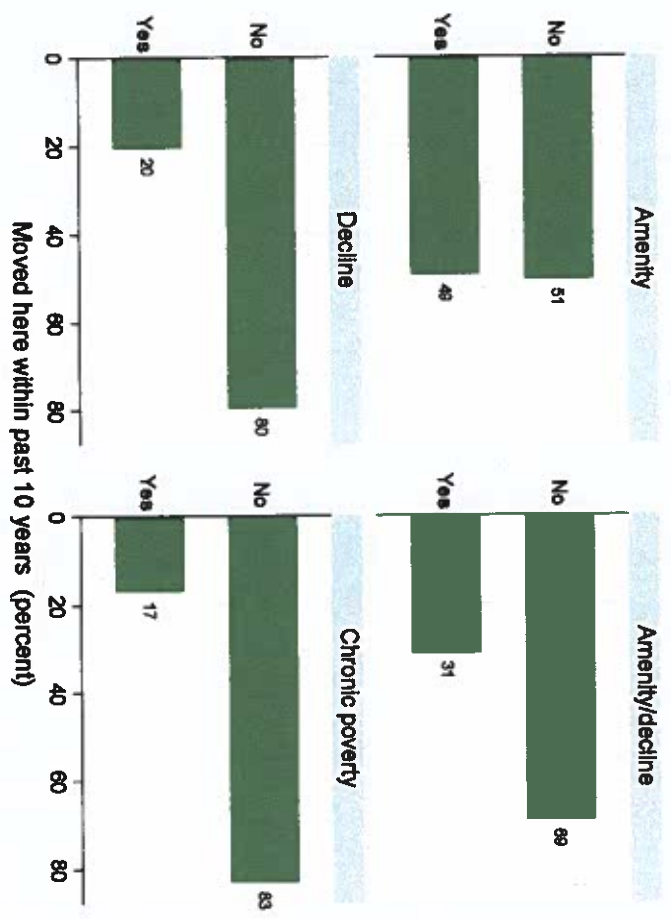
# Everywhere young people are advised to leave



# The wars in Iraq and Afghanistan touch rural Americans – when young people join the military to find opportunity

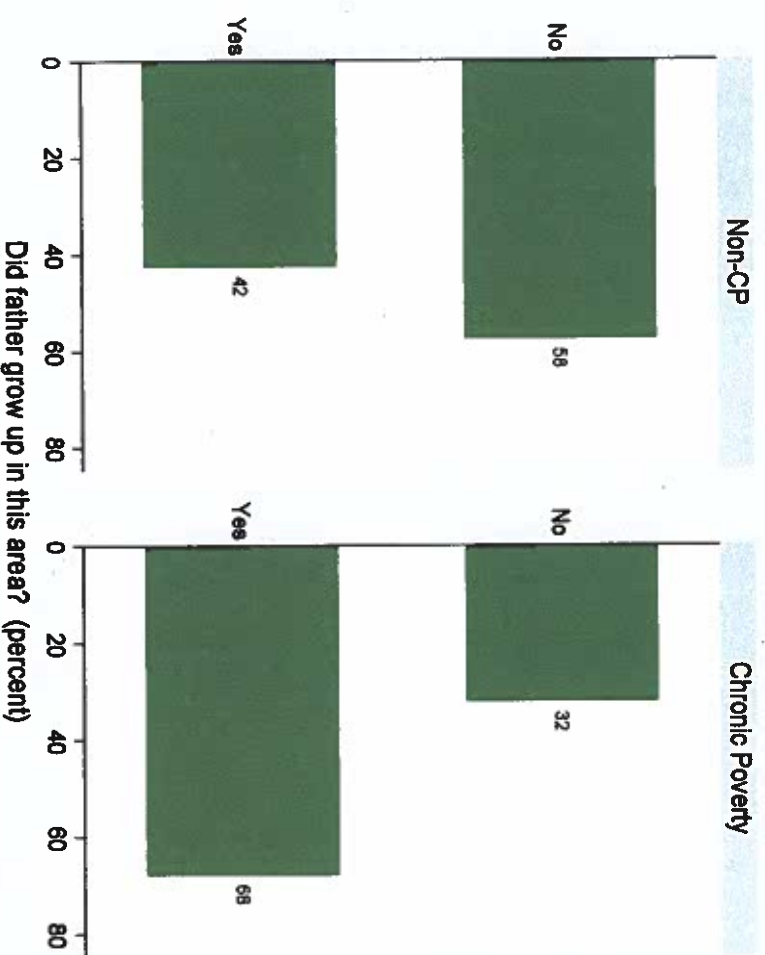


# Amenity areas have many newcomers, poor areas have few

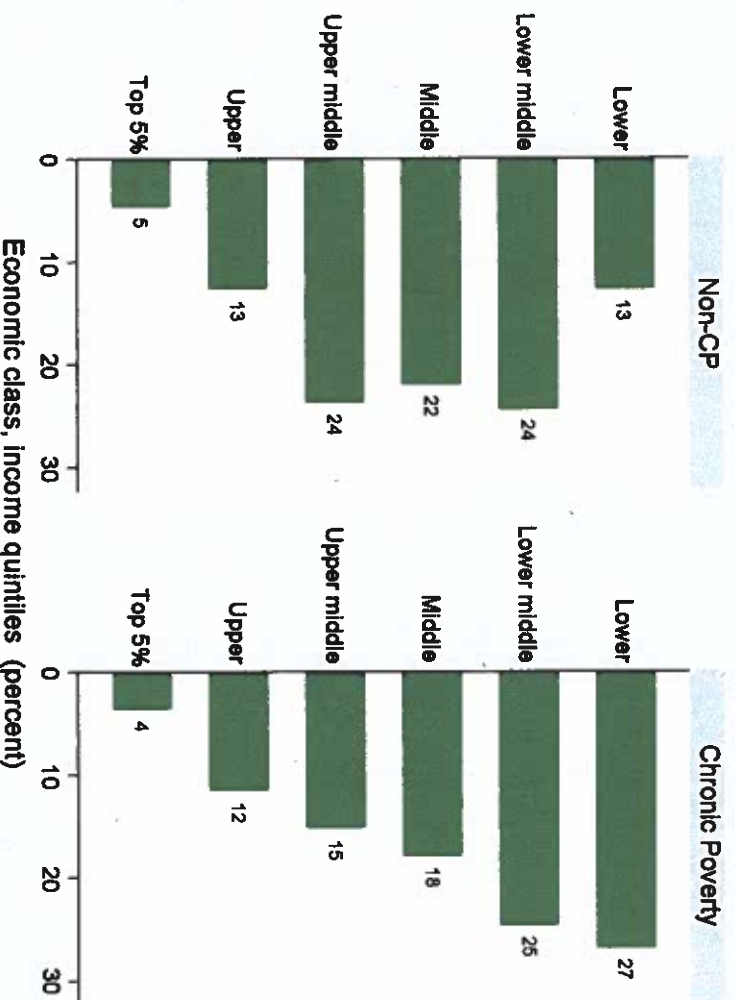


# Roots run deep for the poor in chronically poor places, few newcomers, little change

- 70% of poor area residents say their father grew up in this community, compared to 42% elsewhere
- In poor areas only 20% are newcomers

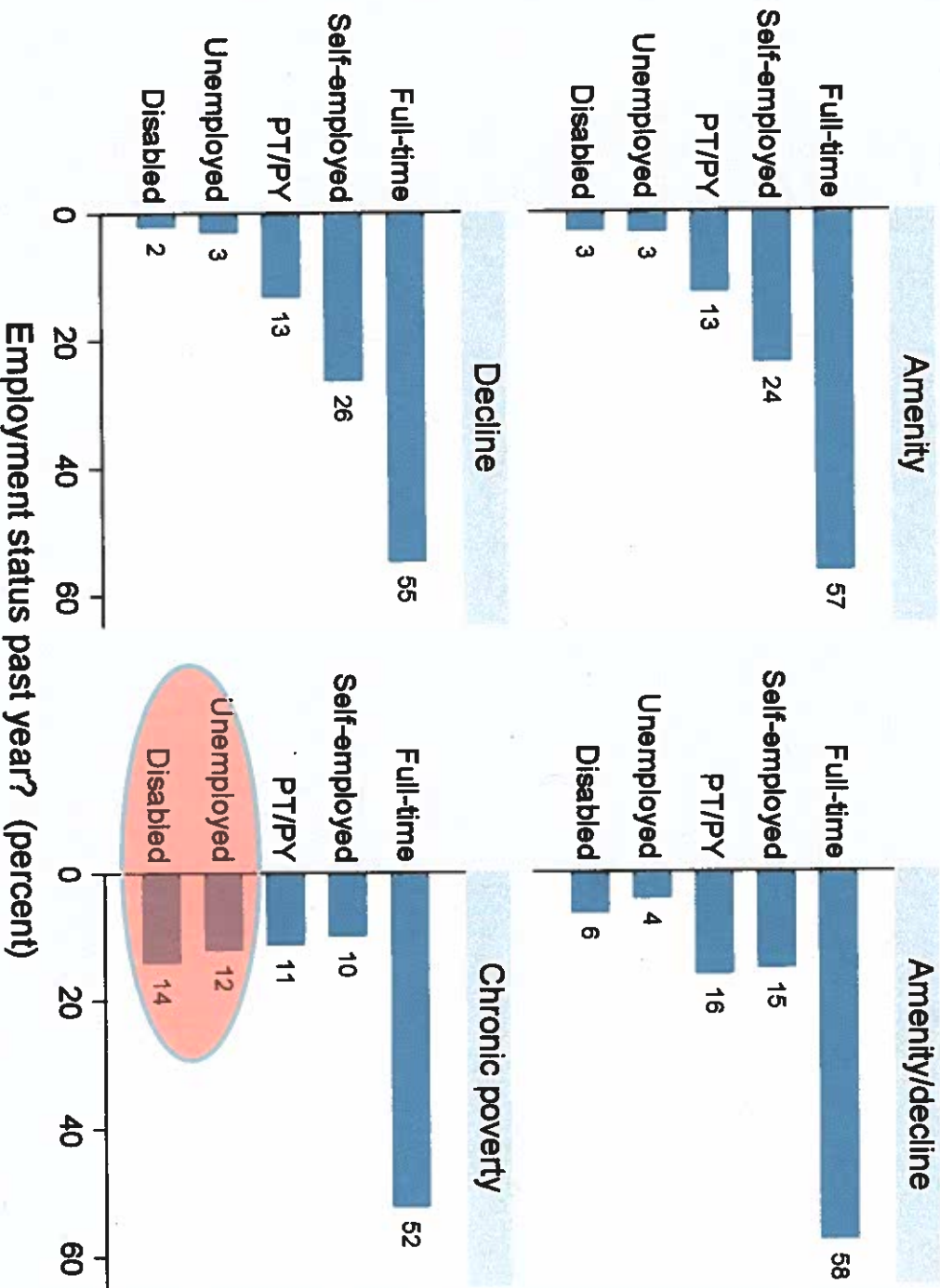


# Poor areas have a small middle class and a large lower class with very low education



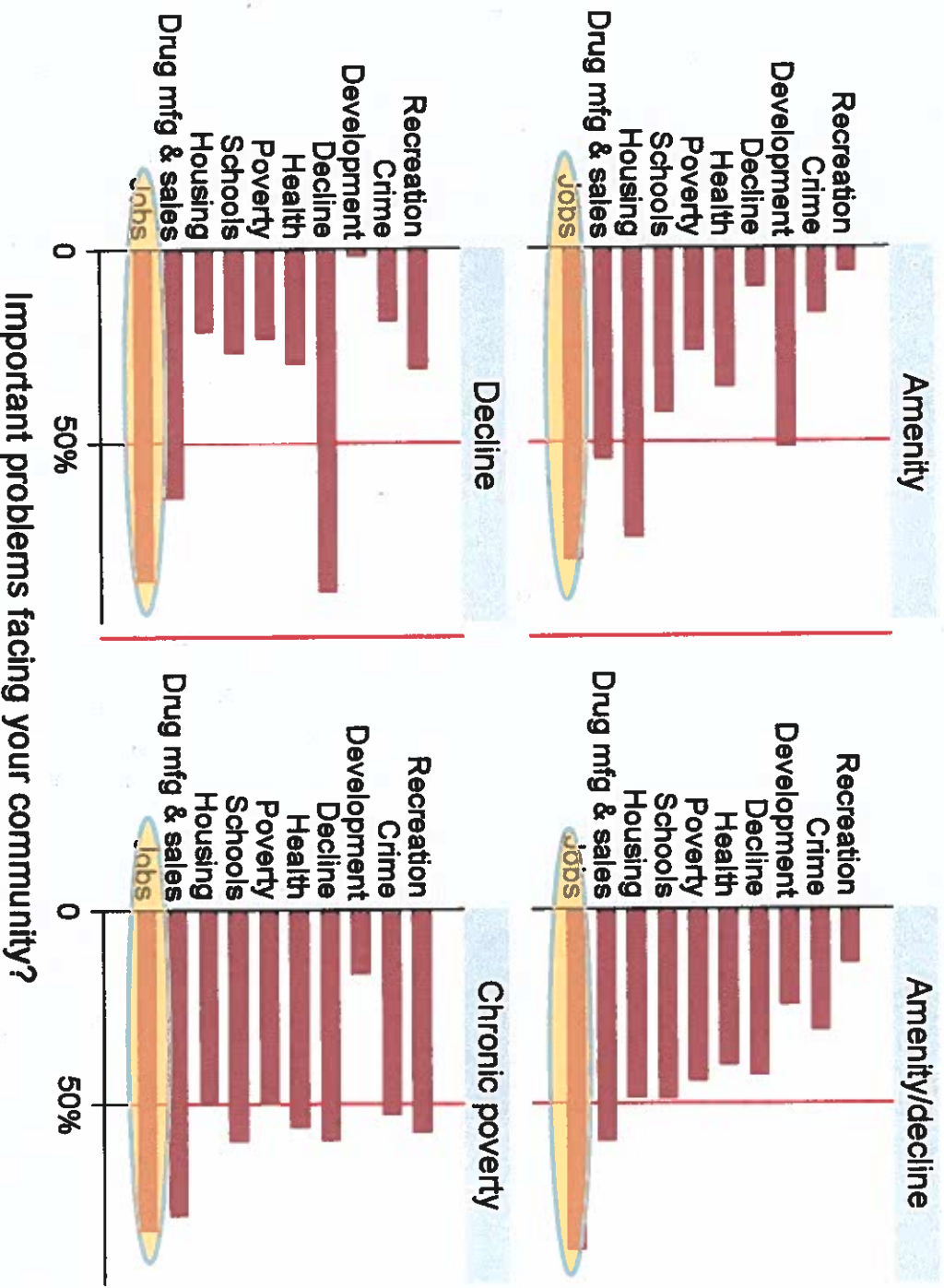
In chronic poverty areas 40% say their father did not go further than the 8<sup>th</sup> grade...

# Disability is high in poor areas – have a dog again



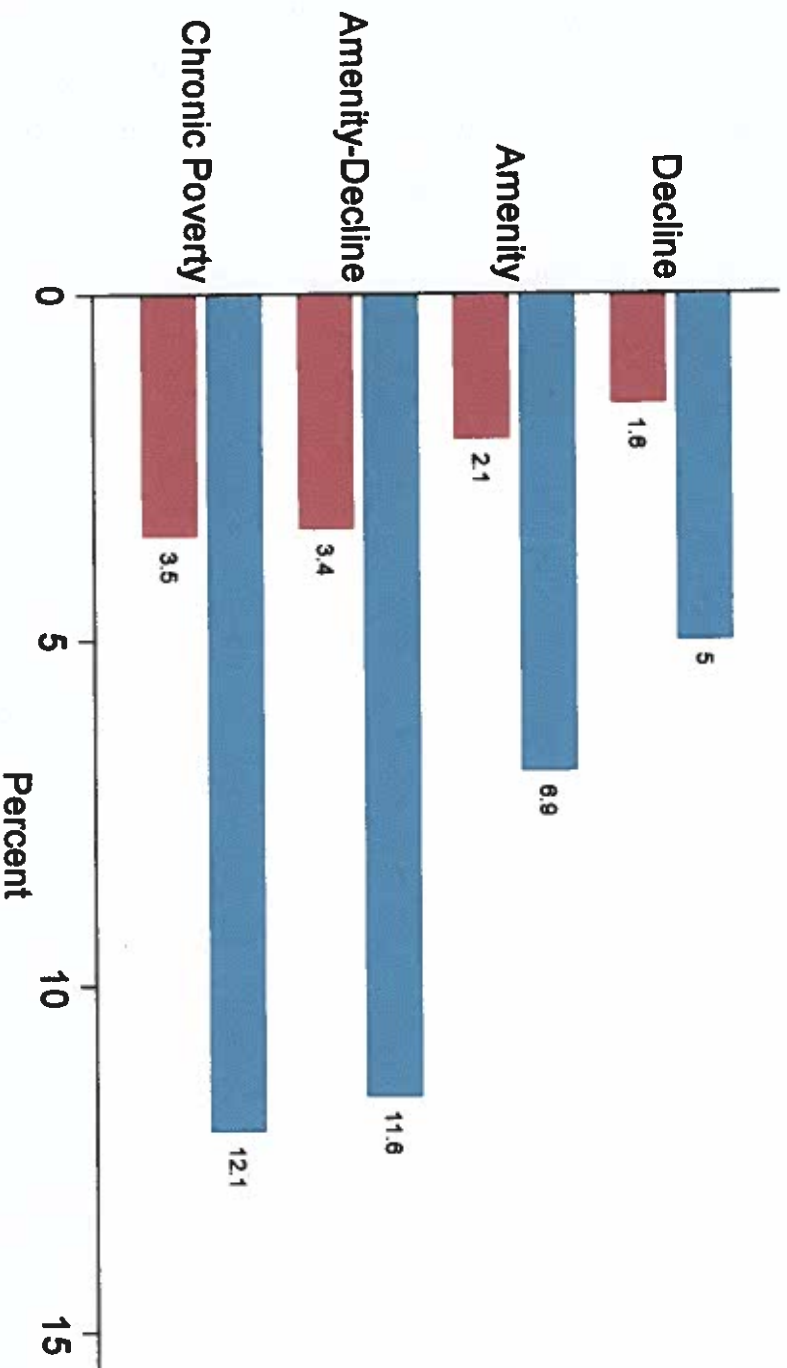


# Poor areas have many community needs, everywhere jobs are a priority



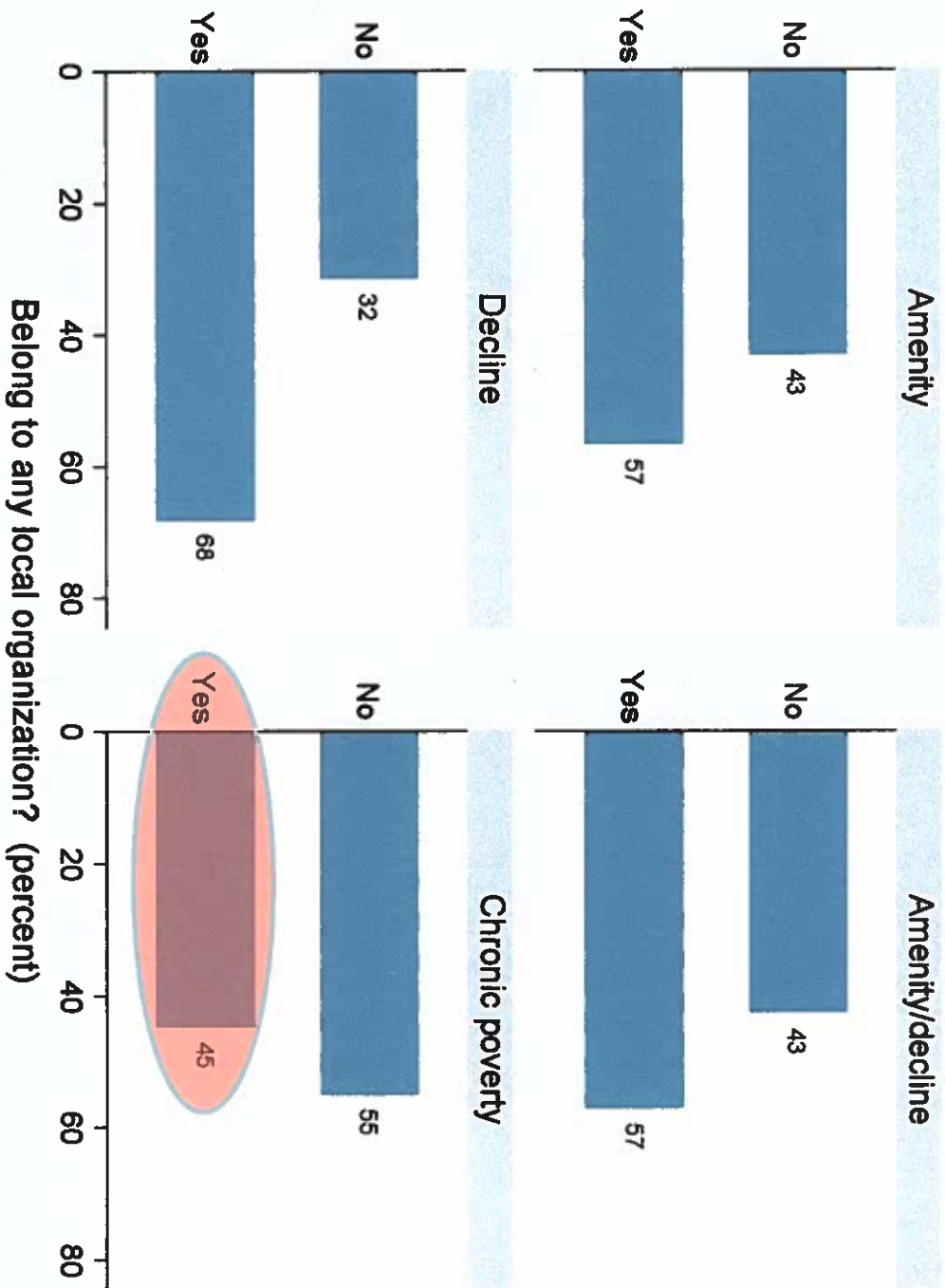
# The Poor Areas Have the Highest Unemployment

Unemployment Rate

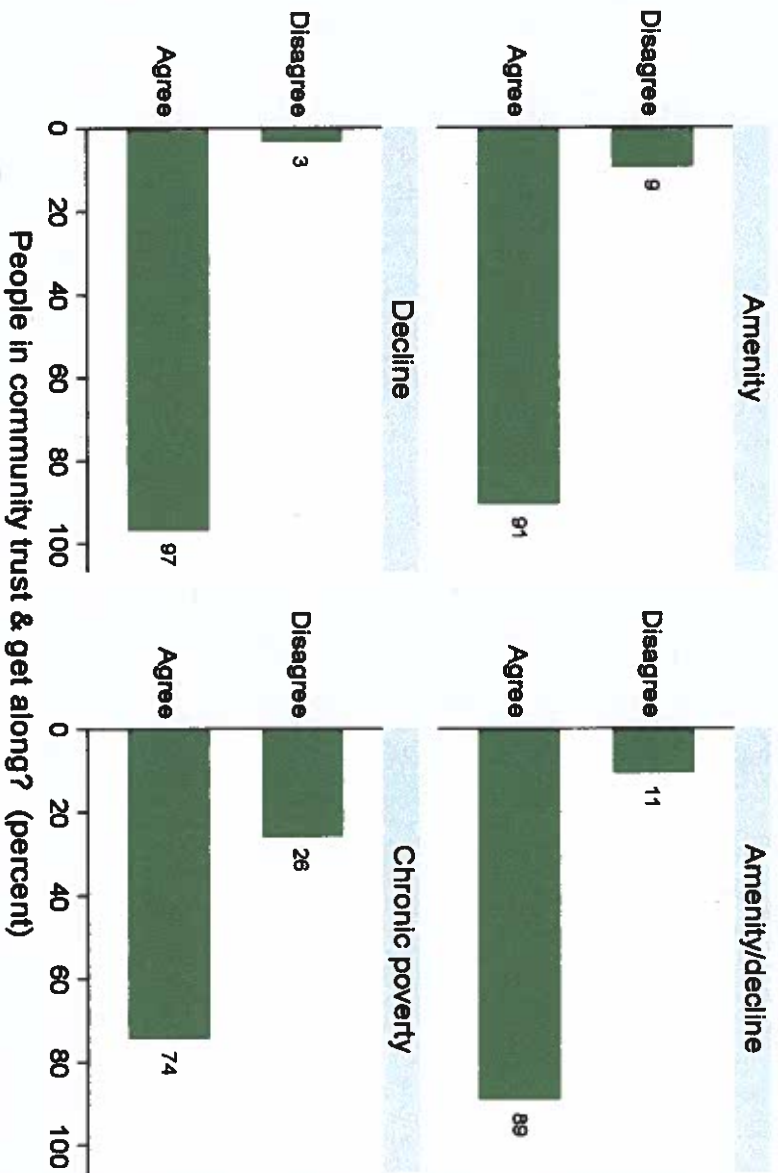


Source: Bureau of Labor Statistics

# Less Civic Engagement



# And Less Trust



Consensus on policy to help working families earning low wages – rural families will benefit

- **Encourage work and make it pay**
- **Support working families**
- **Invest in young children and connect youth to the mainstream**

## Less consensus on how to address intractable concentrated poverty

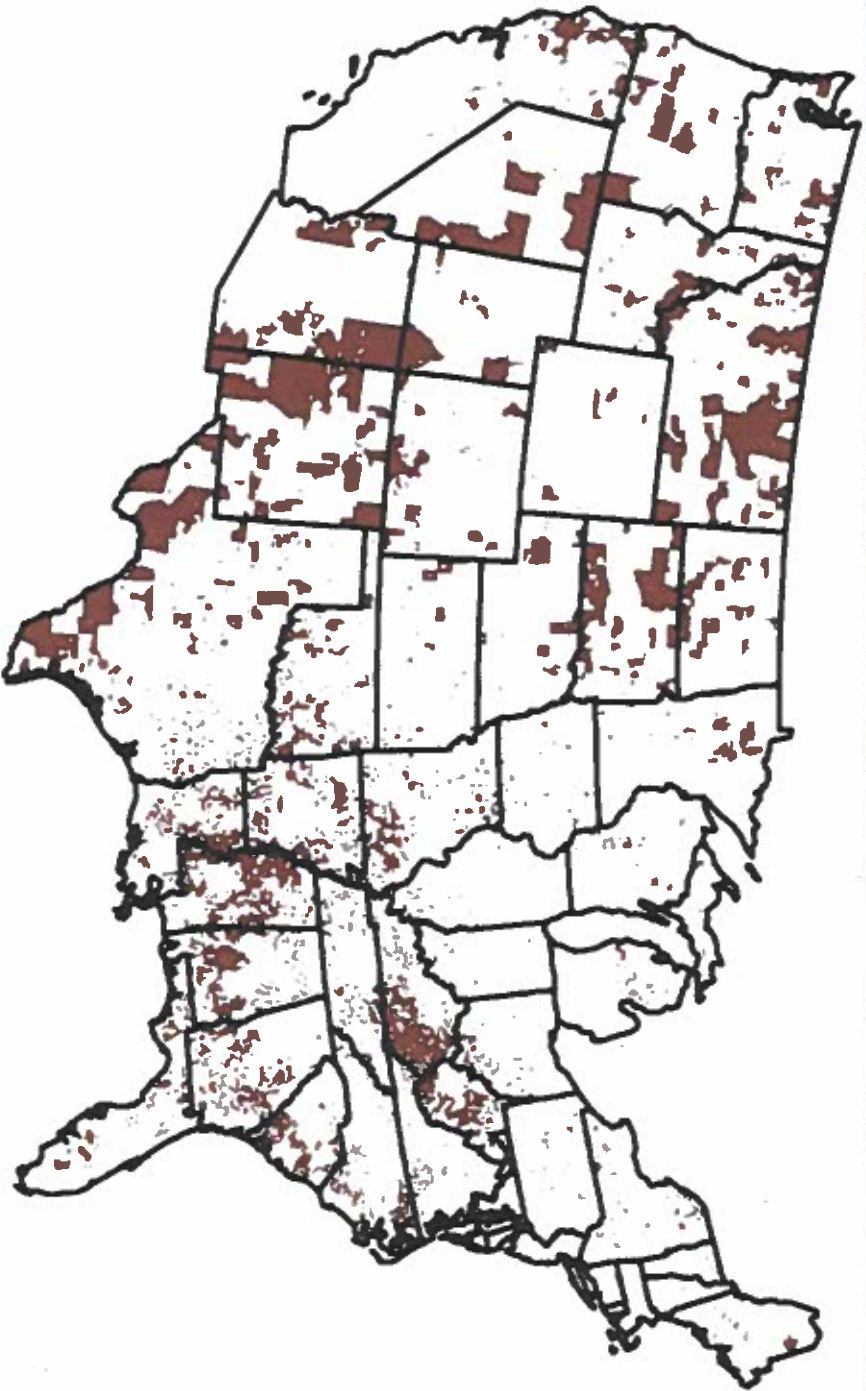
- **Bill Galston says give up, we don't know anything that works, target individuals and families in need.**
- **Geoffrey Canada, immersed in a poor area with all its social problems and cultural challenges, focuses on kids, builds supportive systems and institutions—97 blocks in Harlem.**

## Poverty as Exclusion

“Poverty is the lack of adequate resources to participate in the “accepted ways” in society.”

“Social exclusion” – being cut off from, left out of, the mainstream and participation in the wider society

Half the Rural Poor Live in  
Concentrated Poverty Areas





William Julius Wilson's insights about poor areas in Chicago are still relevant

Work disappeared, especially for low skill workers seeking stable blue collar jobs.

The black middle class left the ghetto, leaving neighborhoods

- without role models
- with little access to cultural learning about the mainstream, and
- disinvestment in community institutions.

## Tough conditions in concentrated poverty areas, rural and urban

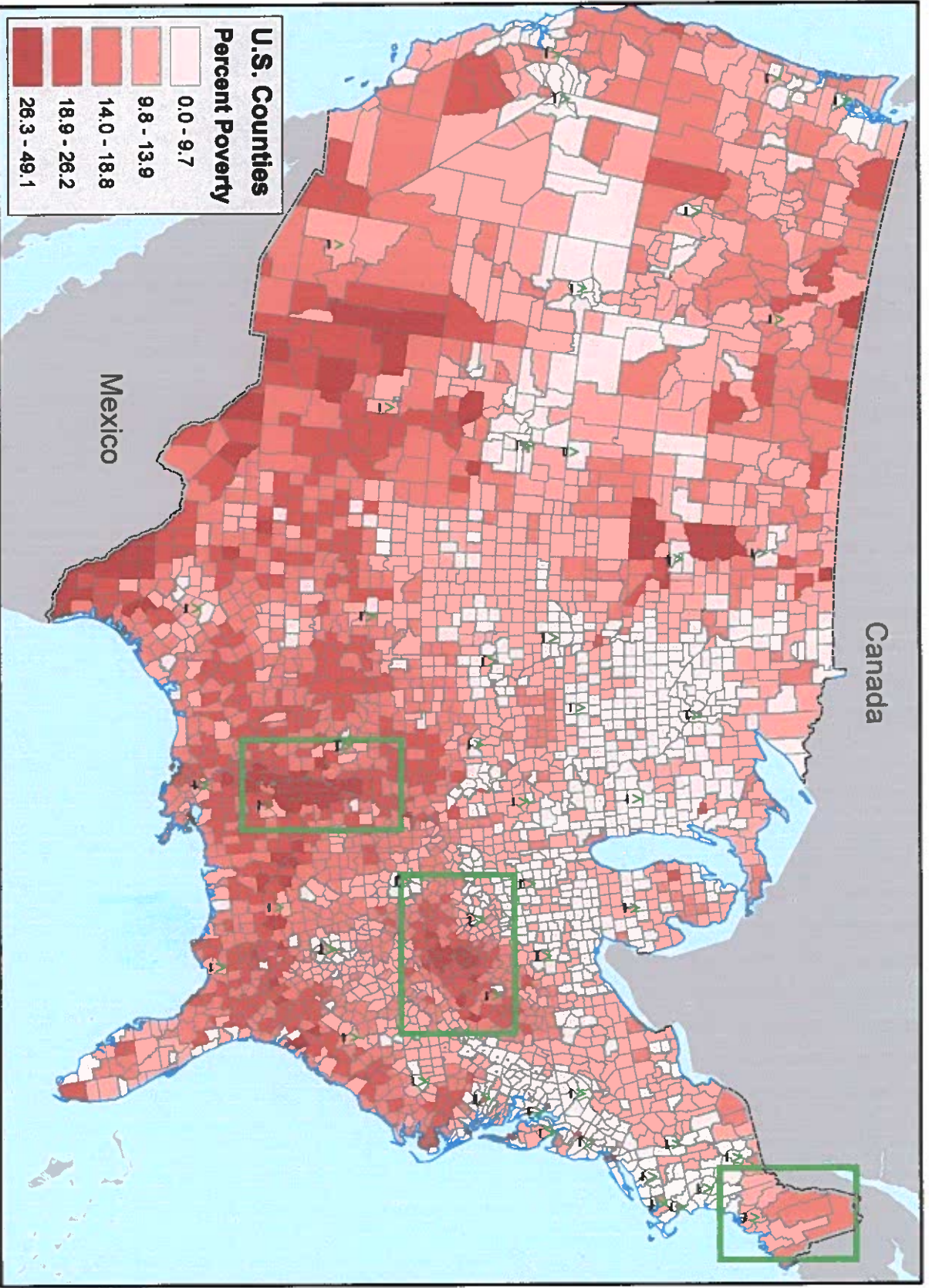
- Isolation
- Bad schools, low levels of education, high dropout rates
- Low skills, low labor force attachment
- Teen pregnancy and lone parent families
- Lack of public safety, crime and drugs

Culture as a “tool kit of symbols, stories, rituals, and world-views.”

- Skills and habits, not preferences and wants
- What we know of the world, how it works, where we fit
- What people like us do

# 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 even money building things that benefit others outside their own family?

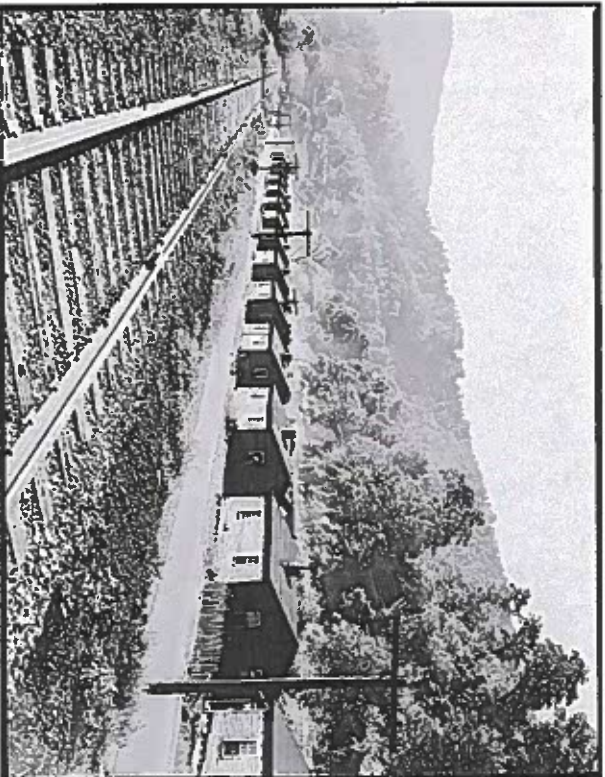


Source: U.S. Census <http://www.census.gov/hhes/www/poverty/poverty.html> Map created in ArcGIS 9 using ArcMap

## Hayes and Have-nots in Poor Rural Places

- The poor are socially isolated, worlds apart from the Hayes.
- They do not develop the “cultural learning,” skills and contacts that they need to participate in the mainstream.
- There is no middle class to demand high standards in public schools and hold public officials and employers accountable for honest fair practices.

# Appalachia: 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.”*

## 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

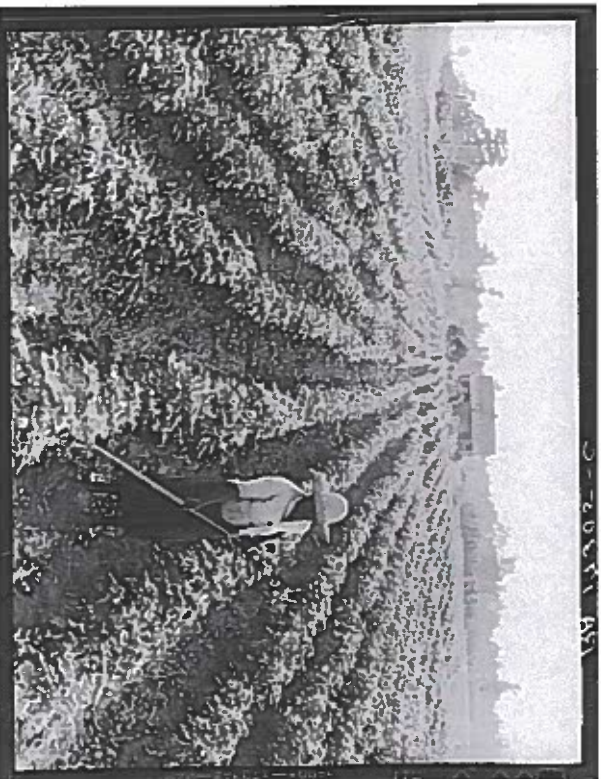


# Delta: Blacks are the have-nots, and they are still vulnerable

- *"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*

# Community Challenges

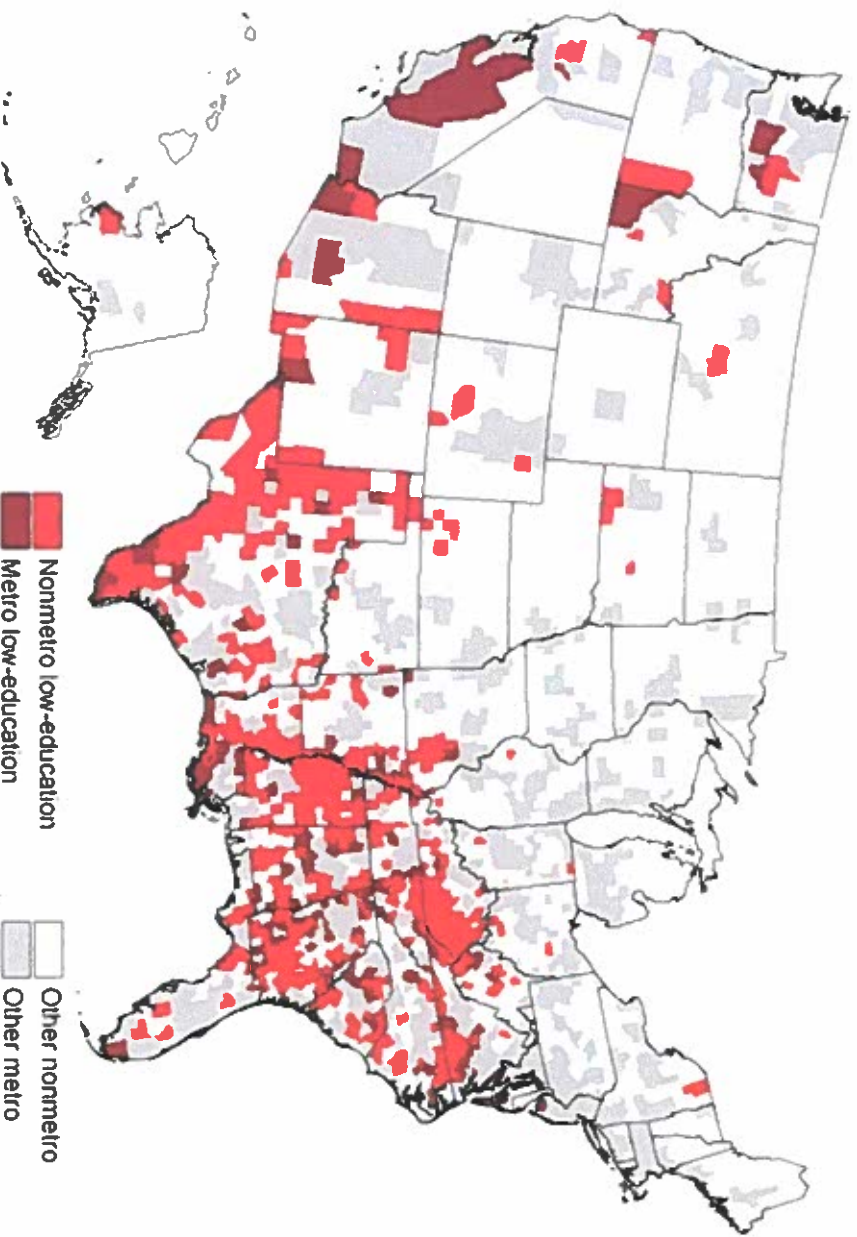
- Isolation and remoteness makes it hard to implement programs
- Small social worlds mean family stigma can have real consequences.

## Institutions and Leadership

- Broken social fabric and community institutions
- Old patterns and systems based on former economies no longer work
- Few new people and businesses make changing local politics challenging – the families who run things go unchallenged.

# Education Education Education

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.

**Albert Hirschman talked about three choices:**

**Exit, Loyalty and Voice**



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