

Strength in Unity
Community and Economic Development in the [Rural] West
Joint WEDA-WAAESD Project
White Paper

Background

Rural is difficult to define. A rural community in a relatively high-population state can look dramatically different from a similarly sized rural community in a less populous state. One definition cited by the USDA Economic Research Service describes rural areas as nonmetropolitan counties. By this definition, nearly two-thirds of the nation's 3,142 counties are rural, and rural communities comprise 17 percent of the population (49 million people) and about 80 percent of the country's total land area.

Today, rural communities face an array of challenges. Resource-based economies are vulnerable to the impacts of commodity prices, technological changes, land value dynamics, and other market influences. Some communities whose economies are contracting are experiencing unemployment, poverty, population loss, the aging of their workforces, and increasing demands for social services with fewer dollars to pay for them. In some rural areas, these are not new trends, but generations-old issues. Additionally, residents of remote communities have limited access to jobs, services, and transportation options. Long, expensive commutes to distant employment centers can eat up a large percentage of the family budget, or families have to live sparsely on the small amount of local work available. People who don't have access to personal vehicles or who do not drive, such as low-income residents and senior citizens, lack mobility and have even less access to jobs, healthcare, and other services.

What is the focus area?

This area focuses on community and economic development (CED) in rural western areas. Community and economic development research and extension broadly encompasses programs designed to enhance opportunities for growth, development and prosperity of communities and individuals. Montana State University has a nice mission statement for their business and community development program:

MSU Extension business and community development programs provide resources and expertise to help Montana's businesses and communities envision, create and sustain successful enterprises and economic development efforts. Our mission is to improve the well-being of individuals, families and communities using research-based programs that educate and build community capacity.

Every Western State and Territory has some form of community and economic development (CED) program or presence, but the size and extent to which they have a separate or clear identity varies considerably from a few faculty and staff to over 40 individuals identified as a team or unit. A brief web survey of Western CED programs and faculty reveals a long list of foci and services:

- Local governance
- Strategic planning
- Leadership education (individuals, government)
- Conflict management – facilitation and mediation
- Community health
- Grant writing
- Poverty reduction
- Entrepreneurship
- Food systems
- Small business development, retention and expansion
- Tourism
- In/out-migration
- Diversification of income sources
- Workforce development
- Food industry (processing, safety, marketing)
- Agribusiness
- Energy efficiency/conservation
- Community change

Arguably, the majority of defined CED programs and efforts reside in western state's Extension programs. However, at some level virtually every research and extension program supported by public funds can and should be framed in the context of community and economic development.

According to the Rural Assistance Center (www.raconline.org) rural economic development is unique having both opportunities and disadvantages:

“Rural communities have many distinctive assets that can provide a basis for economic development activities. Natural amenities like mountains, rivers, forests, wildlife, and open space are appealing to people and present unique opportunities for rural development. Rural and agricultural communities have higher rates of self-employment, increasing opportunities for entrepreneurial ventures. However, taking advantage of these unique assets present challenges for rural communities that include:

- Low population density and lack of basic infrastructure, particularly transportation and communications systems, often hinder economic development efforts that could bring new jobs to rural areas.
- Rural communities are more likely to depend on a single employment sector. This dependence coupled with government agency job creation programs offer wages that tend to be lower and seasonal.
- Fewer people living and working in rural make it difficult to provide the necessary services that support work.
- Lower per capita incomes limit tax revenue in rural areas resulting in fewer resources for social services.”

Similarly, the President's Council on Economic Advisory in a 2010 report: Strengthening the Rural Economy, reported that rural America has a diverse economy. Rural residents are employed in a range of industries including manufacturing, services, government and wholesale and retail trade. Agriculture, which has traditionally been a key base of the rural economy, continues to record strong productivity gains and is high competitive in international markets. However, while rural America offers many opportunities, it also faces a number of challenges.

Its educational attainment lags behind that of urban areas. Improvements in health status also have not kept pace, and access to doctors and health services has been a key challenge in rural areas.

Where is it especially important/prevalent/at risk, etc.?

CED is arguably one of, if not the, most important topics for Western Universities. The recent recession brought laser focus to the issue of community sustainability and economic opportunity. The west is unique in its geographical isolation and spatially distributed population, which results in extreme urban areas surrounded by isolated rural areas where connectivity and access to information lacking. The rural West is also unique in that federally owned public lands dominate the local economies and tax bases, and a lower level of economic diversity hinders the sustainability of communities.

Western University research and extension programs make significant and highly-relevant contributions to CED at many levels. However, we often fail to clearly link research and extension efforts to CED. Often, elected officials place us in the category of a “hand-out” rather a “hand up”, or investments that build individual and community capacity. A secondary problem is our collaborative and synergistic role, which makes it difficult to claim specific outcomes. Our partners can often become competitors in an environment of limited resources.

Who benefits from it and how?

Communities at all scales/sizes benefit from CED efforts by creating employment and economic opportunity for individuals and communities. This working group has chosen to focus on rural communities for the purpose of the WAAESD/WEDA project.

Why is it important to the Western U.S., the nation, and/or the world?

Economic vitality is essential to the sustainability of rural communities. Anna Read from the ICMA Center for Sustainable Communities stated: “Traditionally, many rural economies have been resource dependent, and natural resources (extractive industries) and working lands can remain an asset for rural economies.” While Hibbard, Lurie and Morrison went further by stating “Combining agricultural and natural resource production with management of rural landscapes and ecosystems, which allows for longer-term, sustainable use of those natural working landscapes, can be a positive asset-based economic development strategy.”

How is this topic unique in the Western U.S.?

Unique features of the Western U.S. described in other focus area reports provide unique opportunities for CED. These include tourism and public land, water quantity and quality, healthy lifestyles, expansive geographies, intensive agriculture, a keen interest in food systems, and others.

Elected officials at all levels increasingly ask university administrators and staff to describe the impact of, and justify the request for, public funding for research and extension outreach on the basis of jobs created and positive economic impacts/outcomes, in the form of dollars invested and ROI.

How is this topic played out in rural communities vs. urban ones (recall that the “rural/urban interface” was found to be an umbrella topic/issue for all focus areas)?

In many rural states there is a migration from the rural areas to the urban centers. One of the primary drivers of this migration is jobs. This results in a lack of capacity of rural areas to maintain a sustainable economic system to support communities.

State Extension programs have addressed the rural/urban interface in with a variety of programs. Programs like the Manufacturing Extension Programs and Small Business Development Centers, which tend to be housed within Extension, work in this area of interface.

Key Subtopics for Research and Extension Activities and Assets

The WEDA-WAAESD collaboration will focus on three major community and economic development subtopics:

- Creating wealth in rural communities
- Creating sustainable rural communities
- Focusing on health in rural communities

The Strength in Unity project will develop criteria for these subtopics that are unique to the West, documenting the value, impact/outcomes and collaborations/partnerships developed.

Subtopics related questions to be researched and explored are:

- What are the drivers that create wealth in rural communities in the West?
- How do you create and retain healthy, sustainable rural communities in the West?
- How do you create a sustainable rural health care system at a different scale than urban health care systems?

1. Creating Wealth in Rural Western Communities

In an article in USDA ERS, Amber Waves, Pender, Reeder and Marre stated:

“Rural economic development efforts build on previous investments made in a broad range of assets, such as transportation and communication infrastructure, agricultural technologies, education and training, and preservation and development of natural resources.

In a review concerning how a wealth creation perspective can inform and improve the efforts of rural communities and others seeking to promote sustainable rural prosperity. Five key lesson for rural economic development strategies emerged. First, wealth creation is context dependent. Second, it is critical to understand the interrelationships among multiple forms of wealth, third, degrading some types of assets may undermine the benefits of investing in others, and fourth, diversifying assets may reduce risk. Finally local ownership has benefits but may also entail risk.

Rural places with less favorable natural resource endowments may need to consider other wealth creation strategies more suited to their context.”

2. Creating and Retaining Healthy Sustainable Western Communities

Kathleen Miller observed that: “It is well understood that while agriculture does indeed play an important role in the rural economy in many areas, we can no longer equate agriculture with rural. It is perhaps less understood that the broader rural economy plays an important, direct, and growing role in the agricultural economy. Many agricultural producers depend directly on jobs and income off the farm in order to maintain their farming operations. The astonishing shifts in the primary occupation of farm operators underscores what has been widely understood for some time – that a healthy farm economy is dependent upon there being a healthy rural economy. Investments in essential infrastructure, business development and entrepreneurship, and workforce education and skills are critical to the success of both.”

Anna Reed, ICMA Center for Sustainable Communities, identified seven keys to creating sustainable communities:

- Identify existing assets and evaluate their benefit to the local economy
- Identify existing historic and cultural assets and evaluate their benefit to the local economy
- Identify how development of assets and an asset-based economic development strategy tie into your existing economic development strategy
- Look at your communities assets, their potential benefit to the local economy, and how they can be leveraged as part of an economic development strategy
- Identify resources that can be leveraged to support asset-based economic development and make investments necessary to grow the asset base, whether those be in infrastructure, quality of life, education, or workforce or leadership development
- Form partnerships between key stakeholders to more fully leverage resources
- Engage the community in the planning and implementation process

3. Creating a Sustainable Rural Health Care System

Access to quality health care resources is becoming increasingly difficult in many rural parts of the U.S. These markets are characterized by sparse populations, large driving distances, an aging and declining workforce. Rural markets face challenges in accessing a continuum of health care. Technology continues to advance rapidly. Specialists are increasingly in short supply and economic constraints limit how much can be expended. Salmon Associates reports that a “rural health care delivery requires a comprehensive sustainable approach that incorporates three distinct elements: 1. Local assets, 2. District services and 3. Regional assets.

Through land-grant based research and extension outreach programs, community and economic development programs can help increase the capacity of local economies to become

more sustainable, while opening access to the diverse and rich university based research-based information.

Key Gaps and Needs for the Future

- Focus. What is the LGU role and in which areas do we have a comparative advantage or opportunity to complement existing efforts?
- How to capitalize on regional resources and programs
- How to better link research and extension efforts in CED
- What scale should LGU be working at in CED?

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Supporting Sustainable Rural Communities Partnership for Sustainable Communities
In collaboration with the U.S. Department of Agriculture

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