

# **Rewriting the Rural Narrative**

***Speak softly and carry statistics***

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UNIVERSITY OF MINNESOTA  
**EXTENSION**

**Driven to Discover<sup>SM</sup>**

# What is our future?

People keep leaving rural America. According to U.S. Census figures from 2010, just 16% of the country's population lives in rural areas, down from 20% in 2000, and down dramatically from 72% about a hundred years ago. Beyond the statistics, there are stories, both of the people who left their rural homes and the small percentage of Americans who still live in rural areas. There are stories, too, of people who've returned, drawn back to the small towns they left for myriad reasons. We want to know those reasons, and the story of rural life that they tell.

Rural Minnesota is in trouble. Young people are fleeing the farms and forests of the Gopher State, and the residents left there are aging. And they're dying. While populations decline outstate, the Twin Cities area, especially the suburbs, booms.

We became kind of the poster child for the war on poverty, and any time somebody wanted to do a story about poor people, we were the first stop.

Sociologists Patrick Carr and Maria Kefalas spent two years in a small town in Iowa trying to find out why so many young people are leaving rural America. What they found was that many small towns are playing a role in their own demise, by pushing the best and brightest to leave and under-investing in those who stay.

## Rural Populations Continue to Shrink

Is Rural America Struggling? provides an excellent summary of the economic and population issues facing rural America. Key quote:

... rural America's job growth is stagnant and the population is in decline. In fact, it's the first time such a population decline has been recorded in the nation's rural counties.

# Fighting for an American Countryside

## The Decline of Rural Minnesota

THU SEP 20, 2012 AT 09:04 PM PDT

The slow, agonizing death of the small  
US town

## HOLLOWING OUT THE MIDDLE

*The Rural Brain Drain and  
What It Means for America*

When death comes to a small town, the school is usually the last thing to go. A place can lose its bank, its tavern, its grocery store, its shoe shop. But when the school closes, you might as well put a fork in it.

## Survival of Rural America

VICTORIES AND BITTER HARVESTS



Richard E. Wood





# ***Deficit Approach***

*Fixing things that can't or shouldn't be fixed*

# No More Anecdotal!

**anecdotal** (noun). *information which is presented as if it is based on serious research but is in fact based on what someone thinks is true*

# 1900-1950

- Mechanization of agriculture
- Roads and transportation
- Educational achievement and population loss
- Church closings (Delafield)



# 1950+

- Main street restructuring
- School consolidations
  - MN 432 districts in 1990 to 337 in 2010
- Hospitals closings





# The rural idyll



*“Agriculture is no longer the mainstay of the rural economy.”*



# The Media Idyll Persists

Who are you going to find in a small town when you travel to small towns in morning and afternoon?



"It looks like a ghost town," said Bill Gibson, a 74-year-old farmer, whose grandfather broke ground on the family's land with a team of oxen in the middle of the 19th century. "I sure miss the people."

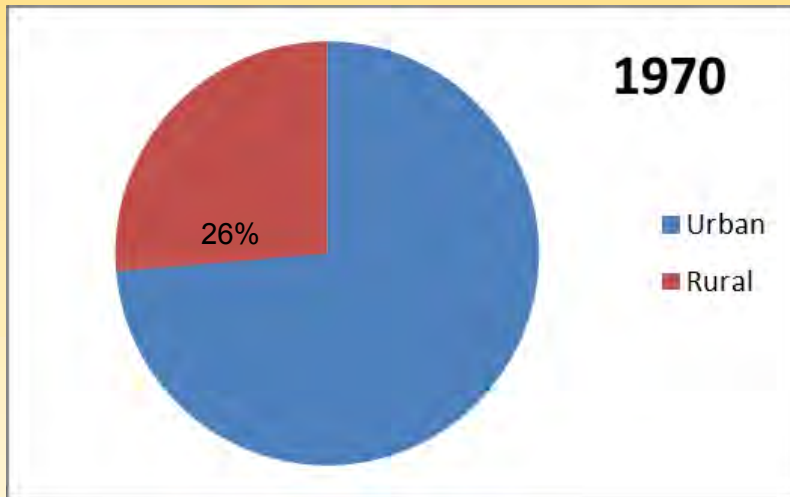
Photo by Denise Peterson

# Rural is Changing, not Dying

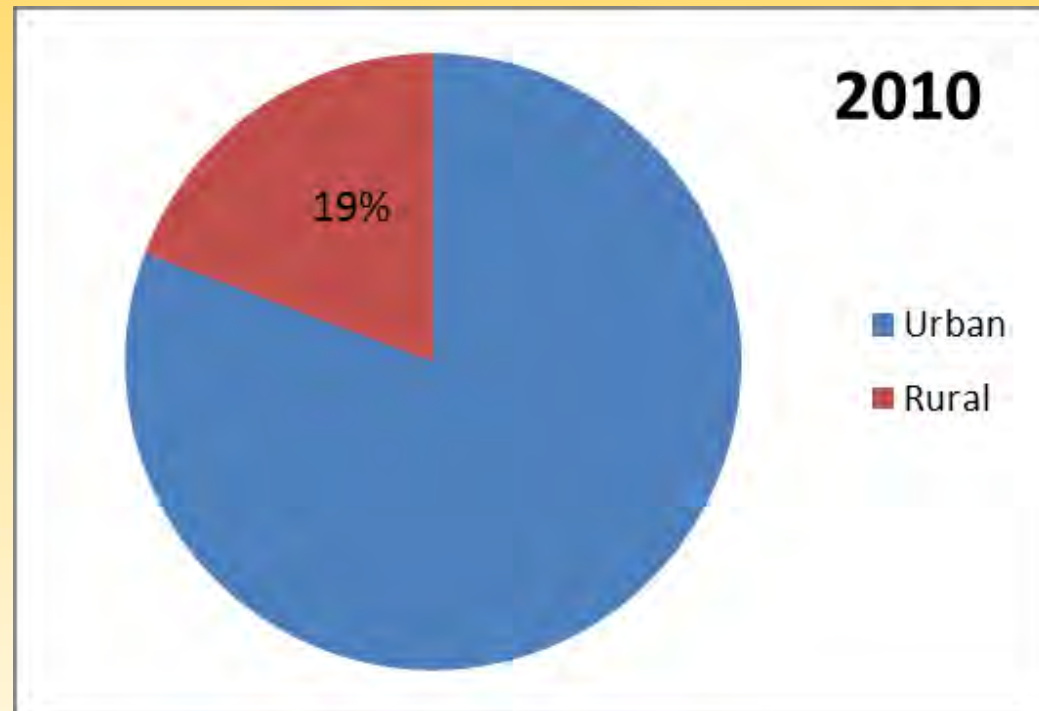
- Yes, things are changing
- Small towns are microcosms of globalization
  - Many of these changes impact rural and urban areas alike (not distinctly rural)
  - Yet more apparent in rural places
- Survived massive restructuring of social and economic life
- Research base does NOT support notion that if XXXX closes, the town dies
  - In Minnesota only 3 towns have dissolved in past 50 years

# Rural Rebound

- Since 1970, rural population increased by 11%
  - Relative percentage living rural decreased



203,211,926  
(53.6m rural)



308,745,538  
(59.5m rural)

# Rural Data

## Rural Populations Continue to Shrink

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Population figures reduced by formerly rural places now designated as urban (since 1974)

- Minnesota 352,224 rural residents now classified urban
- Montana 120,261
- Nebraska 170,855
- South Dakota 207,790
- Texas 1,339,142

Urban areas have grown WIDER, not TALLER





# Mobility

## Households Moving Between 1995 and 1999:

44% Iowa

46% Minnesota

North Dakota

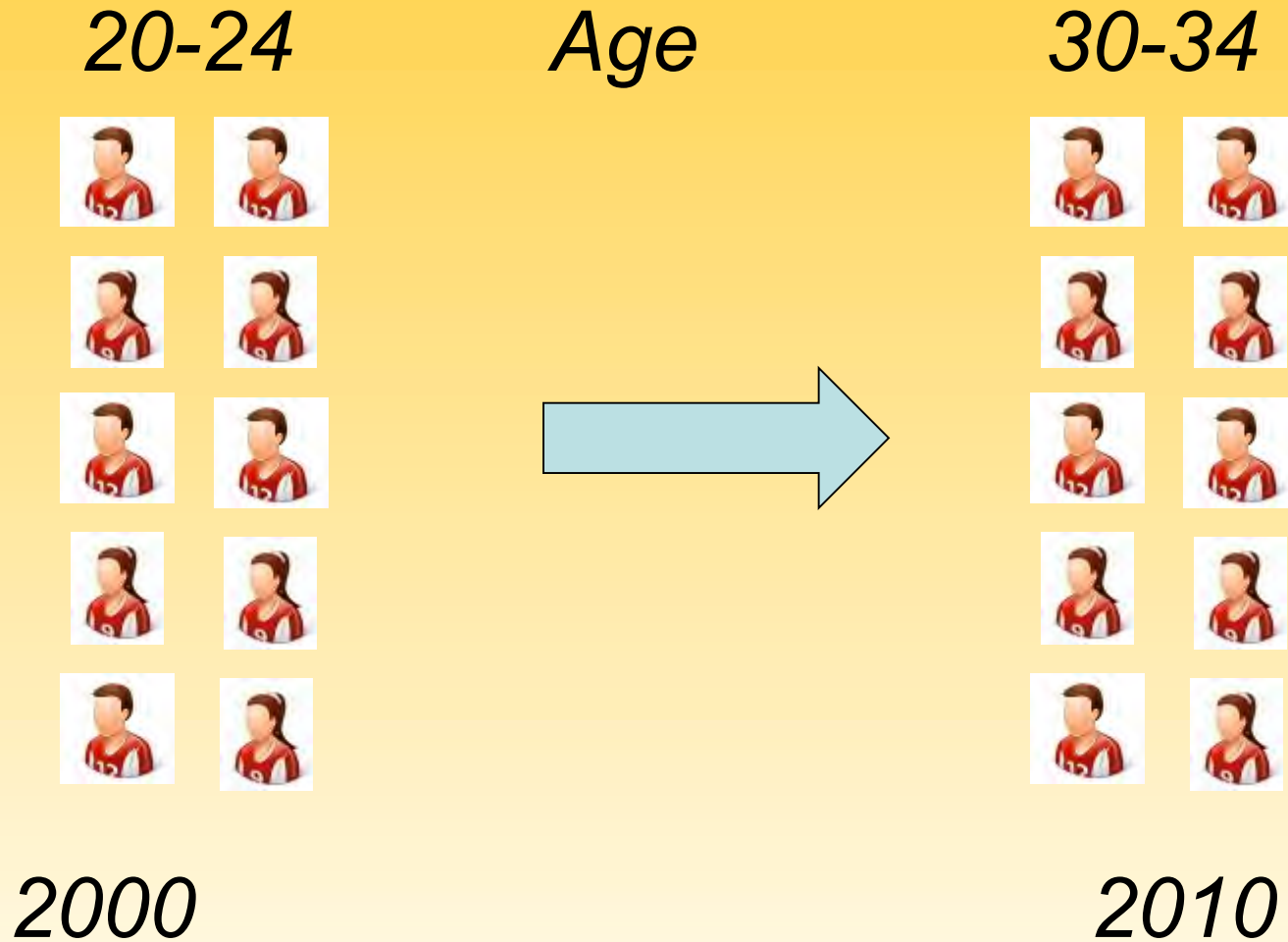
Wisconsin

47% Nebraska

48% South Dakota

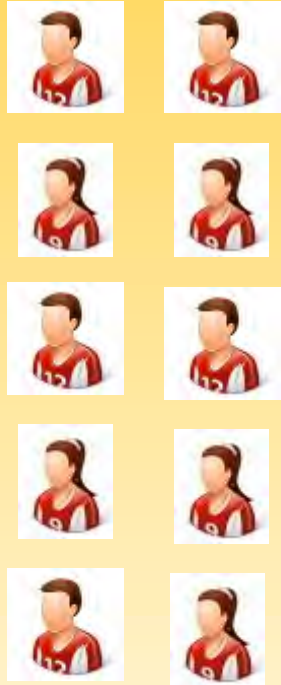
**49% United States**

# If nobody even moved in or out...

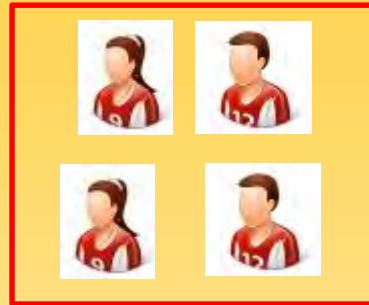


# But in reality people do move...

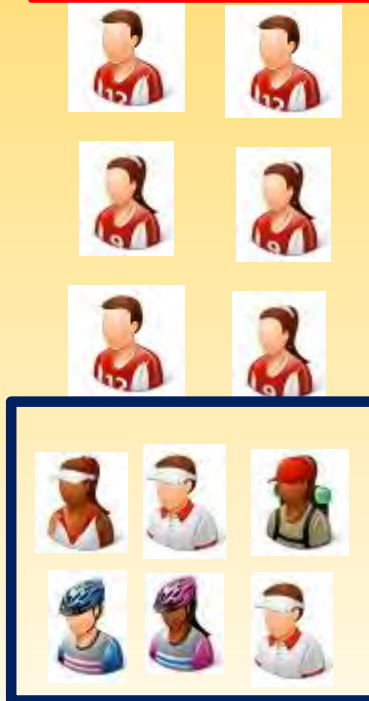
Age 20-24



Moving out  
- 4

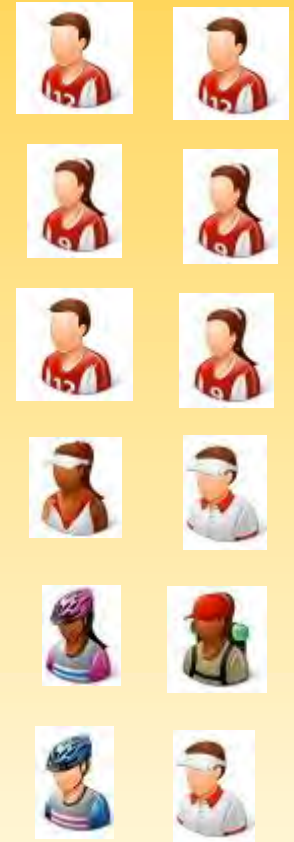


Moving in  
+ 6



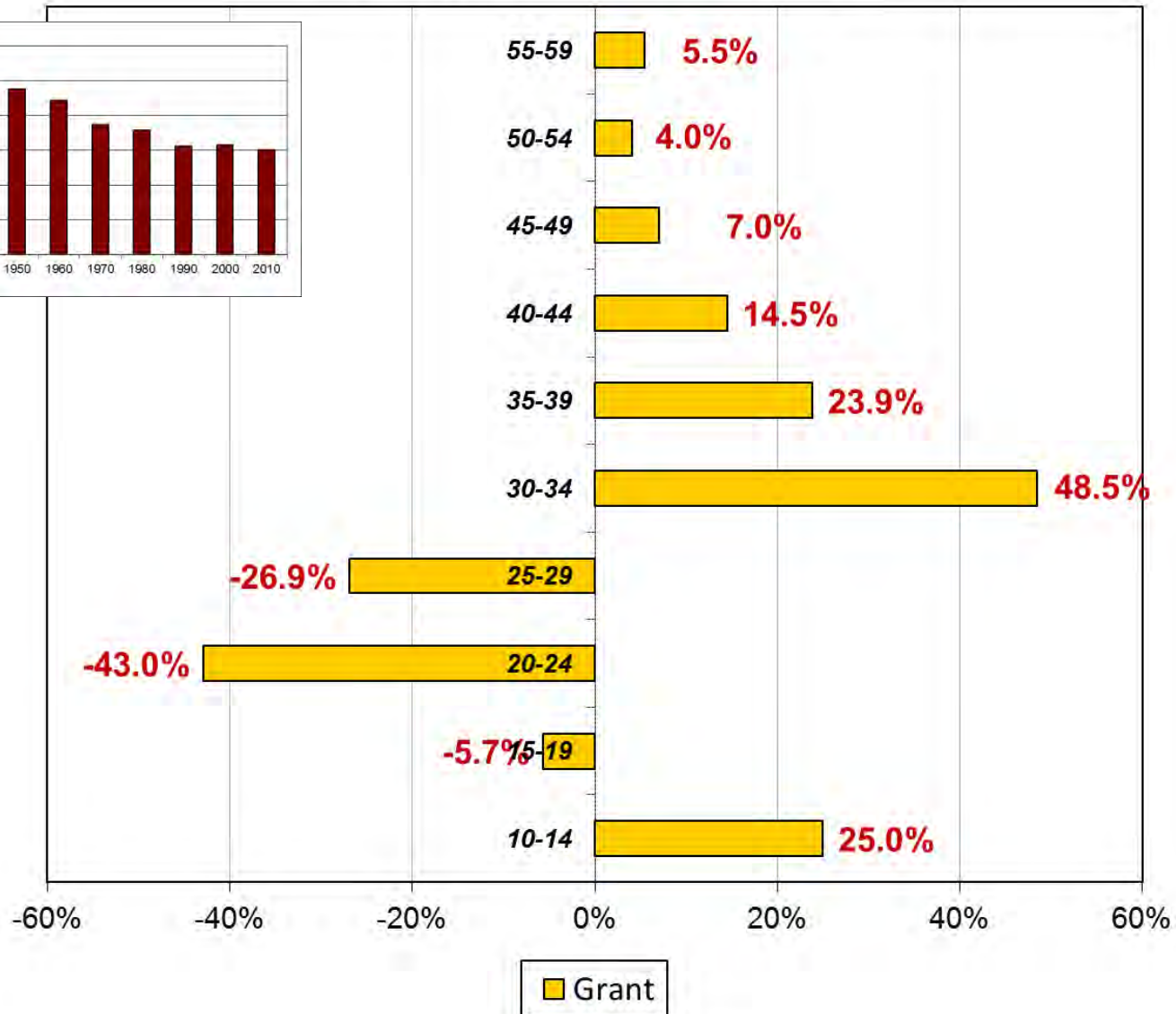
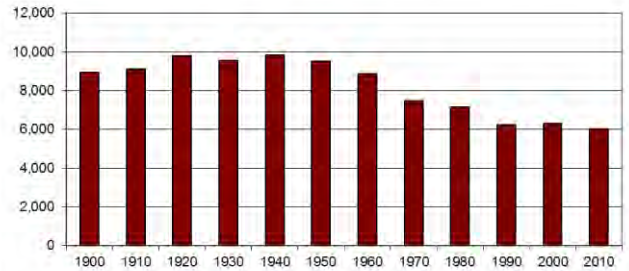
2000

Age 30-34



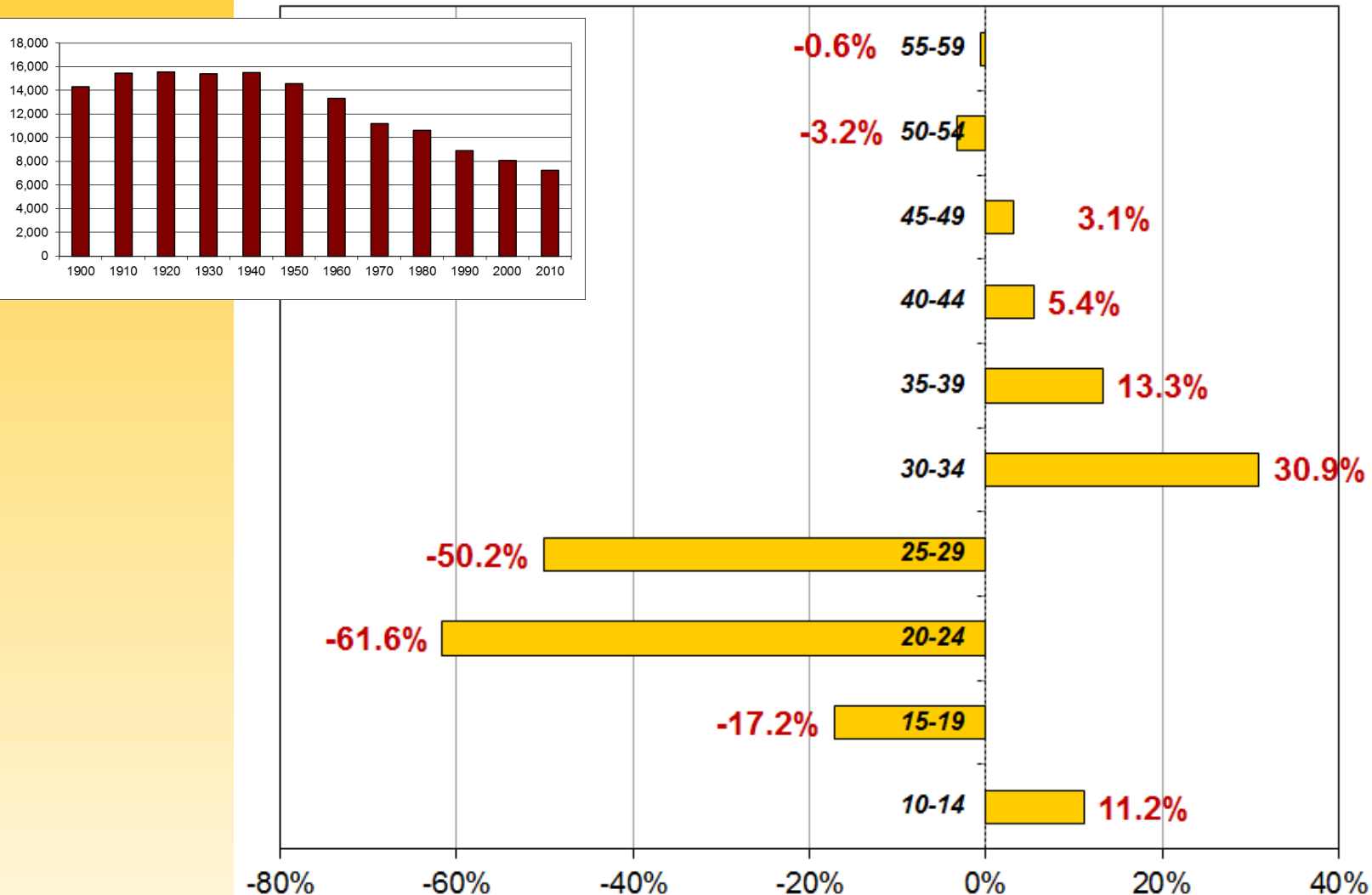
2010

## 1990-2000, Percent Cohort Change





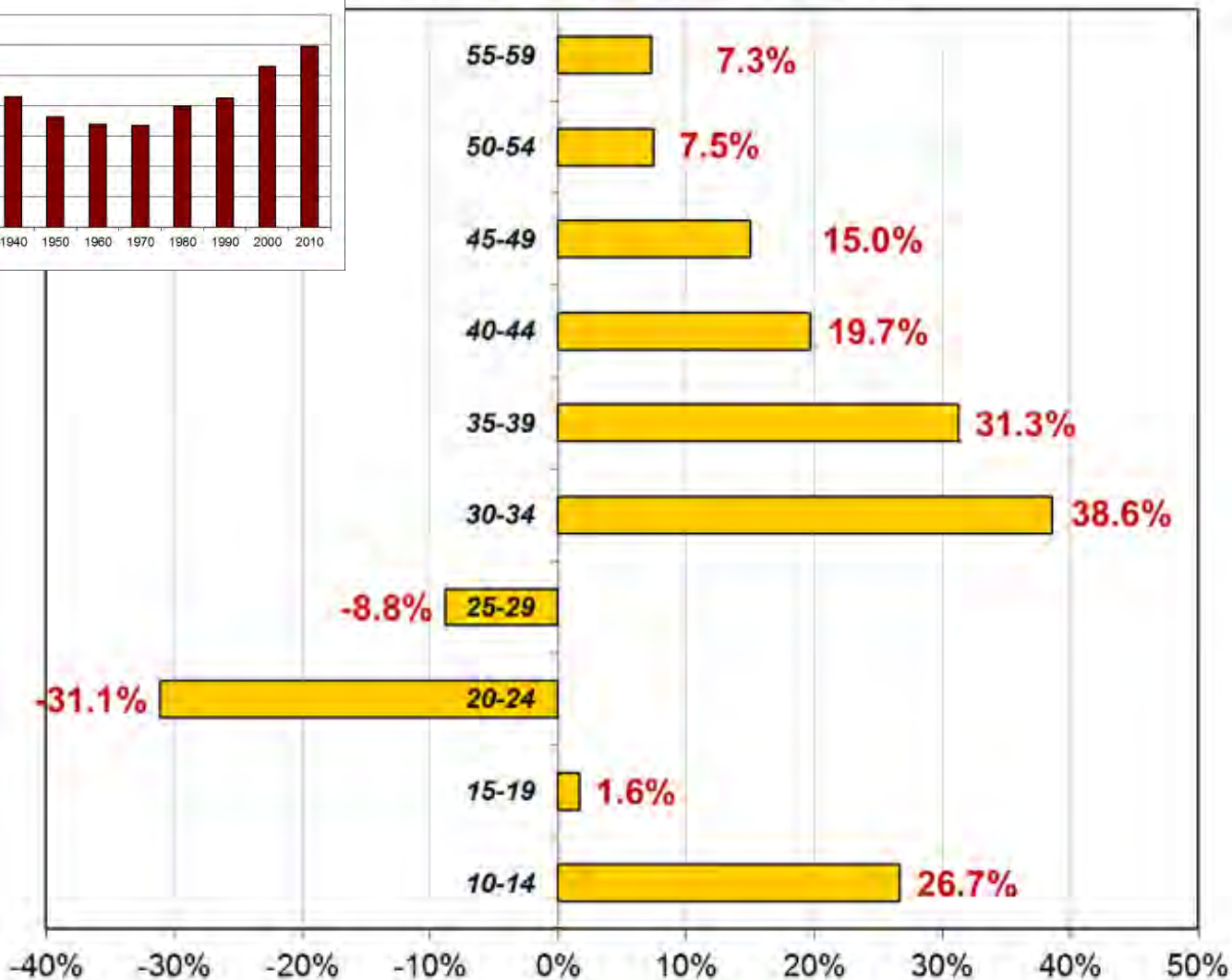
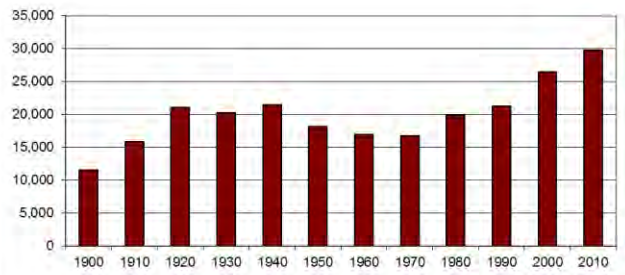
## 2000-2010, Percent Cohort Change



## Rural Prairie County

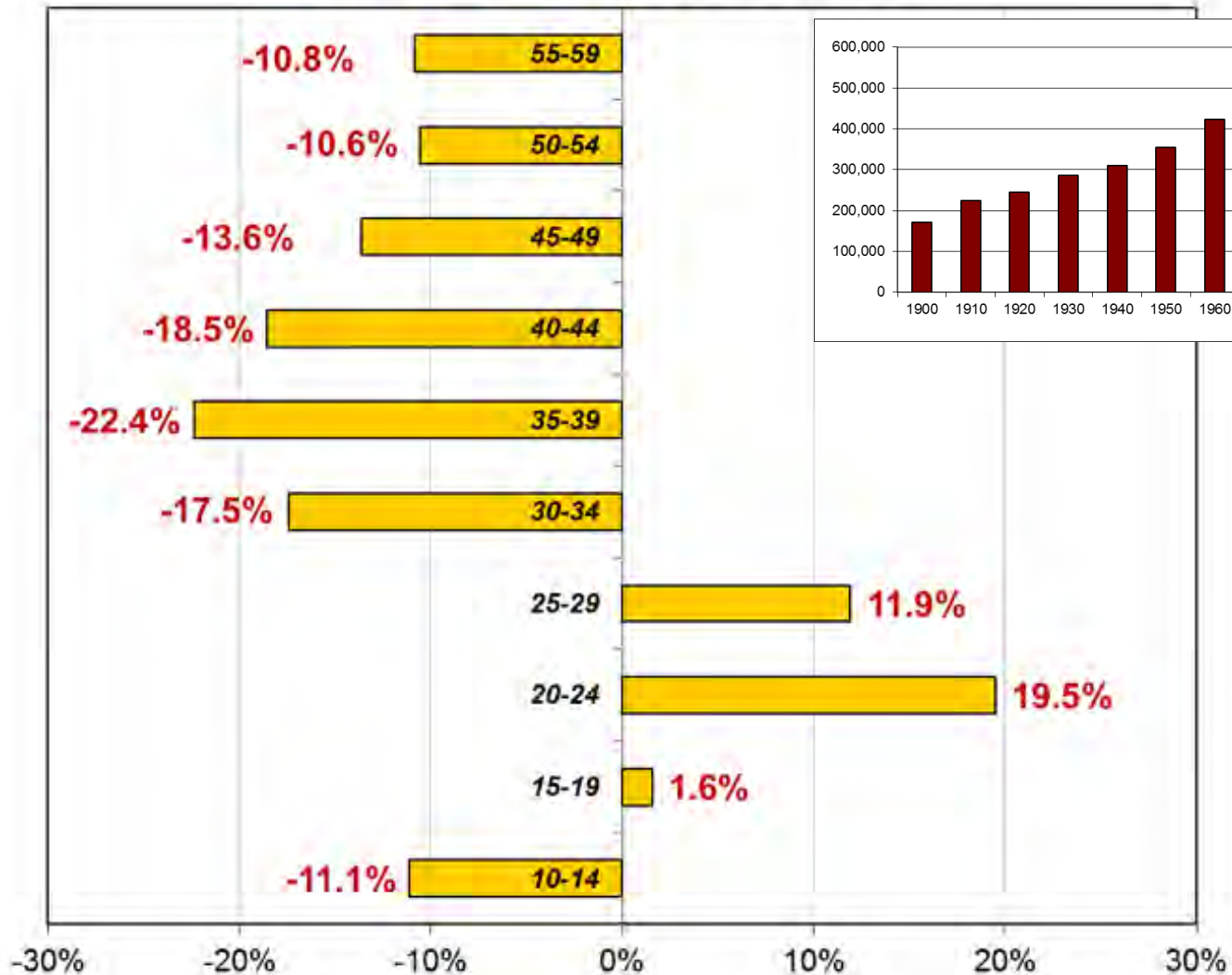


## 2000-2010, Percent Cohort Change



## Rural Recreational County

## 2000-2010, Percent Cohort Change



## Core Metropolitan County



# Buffalo Commons Research

Dr. Randy Cantrell and Cheryl  
Burkhart-Kriesel

University of Nebraska





# Newcomers: Why?

Simpler pace of life



Safety and Security



Low Housing Cost





# Newcomers: Who?

- 36% lived there previously
  - 68% attain bachelors degree
  - 67% household incomes over \$50k
  - 51% have children in household
- 
- May be leaving their career or underemployed
  - Yet, Quality of Life is the trump card

# Cohort Lifecycle



*Avg. American moves 11.7 times in lifetime  
(6 times at age 30)*



# Choosing Rural

- Brain Gain: migration to rural age 30-49
  - Also 50-64 but not as widespread
  - Brain drain is the rule, not the exception
  - Happening since the 1970s
- Newcomers look at 3-5 communities
  - Topical reasoning (local foods regions)
  - Assets vary by demographic
- **Employee recruitment must get past “warm body” syndrome**



# **Rewriting the Rural Narrative: The Demand for Leadership in Rural America**



# Social Life is Not Dying

Nonprofit Growth: 2000-2010

- **U.S.** gained 10% in population and 32% in the number of nonprofits.
- The most rural counties experienced a loss of 1% in population, yet the number of nonprofits increased 15%.

*National Center for Charitable Statistics, U.S. Census Bureau*



# Social Life is Not Dying

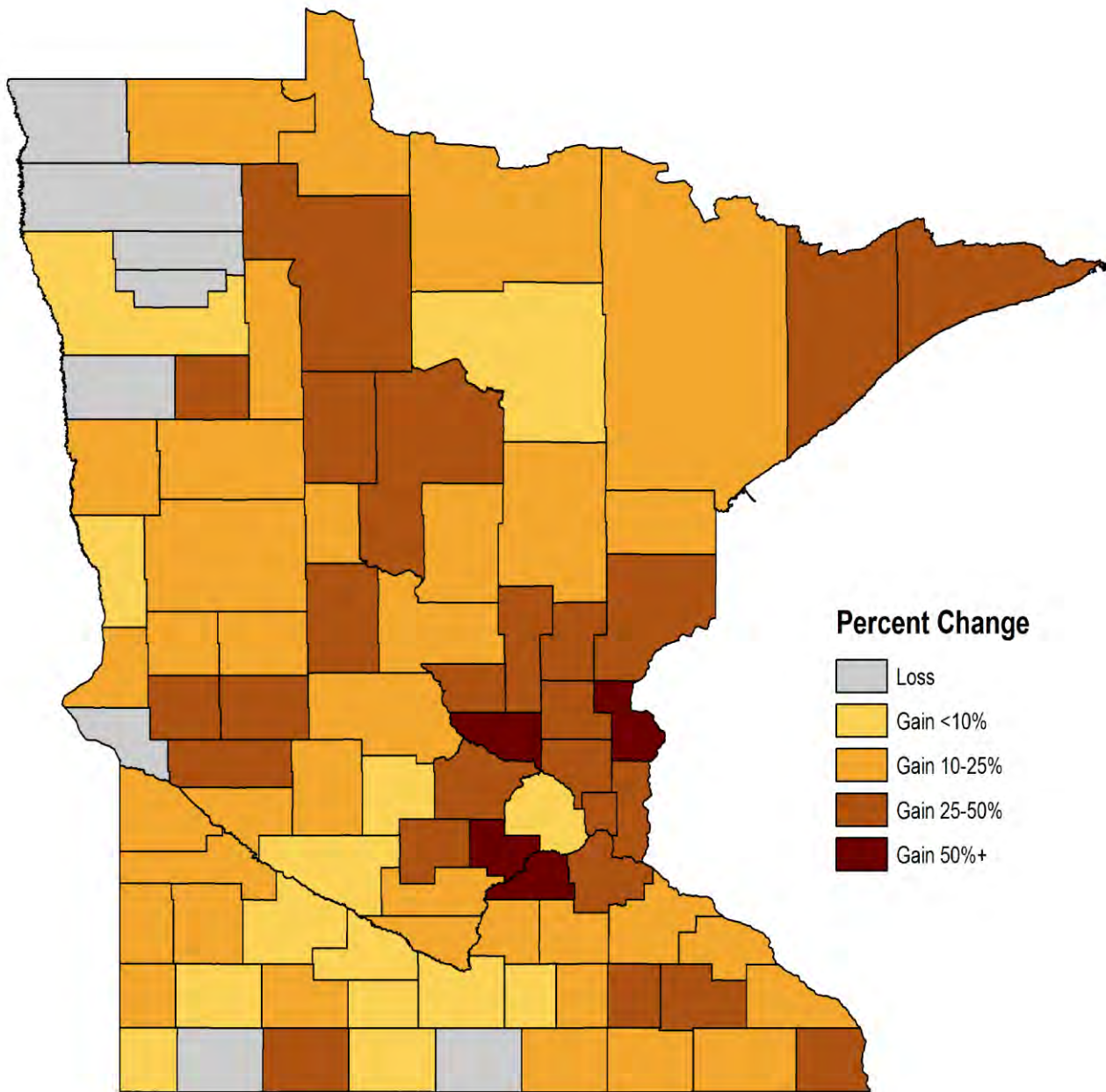
## Nonprofit Growth: 2000-2010

- Minnesota gained 8% in population and gained 19% in the number of nonprofits.
  - The most rural counties experienced a loss of 5% in population, yet the number of nonprofits increased 14%.
- This growth can be both good and bad news for rural places.

*National Center for Charitable Statistics, U.S. Census Bureau*

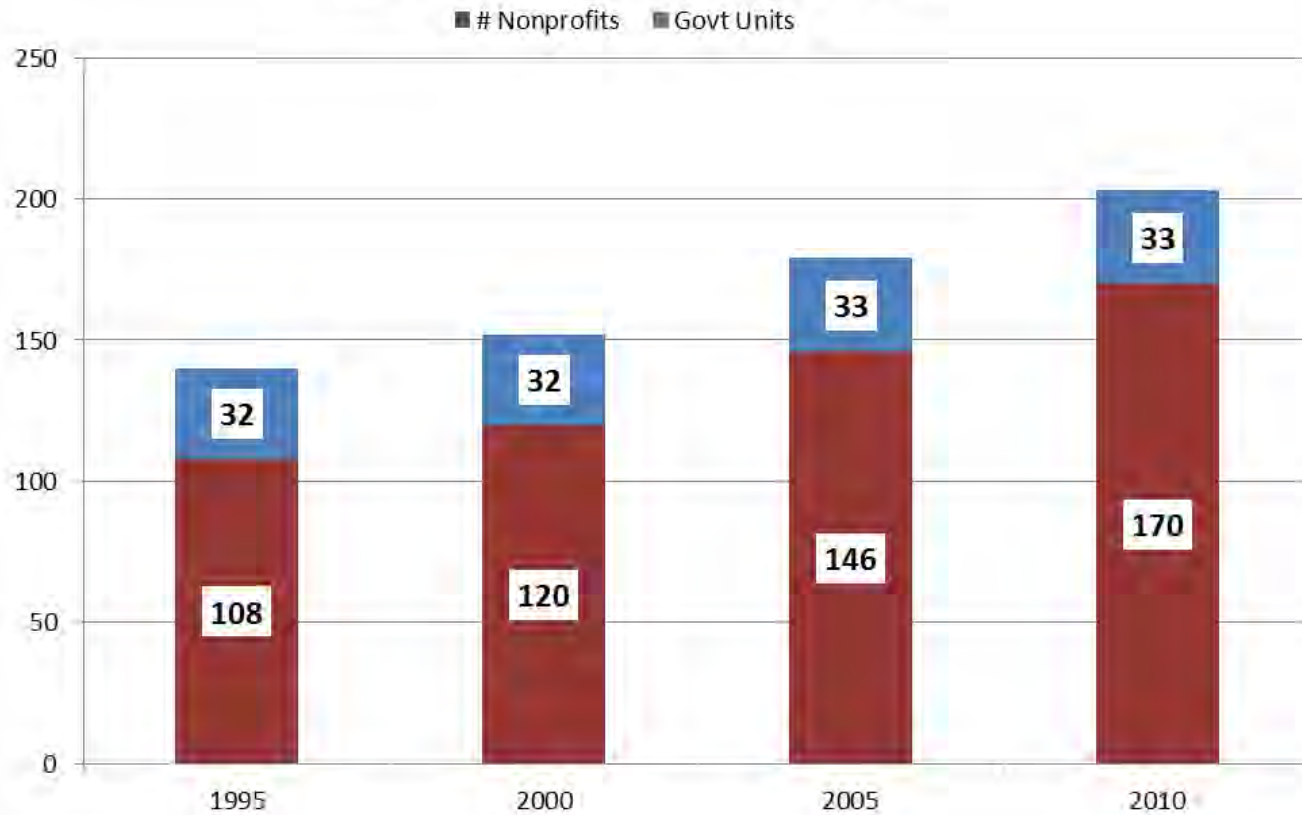


## Nonprofit Change 2000-2010





# Houston County, Minnesota



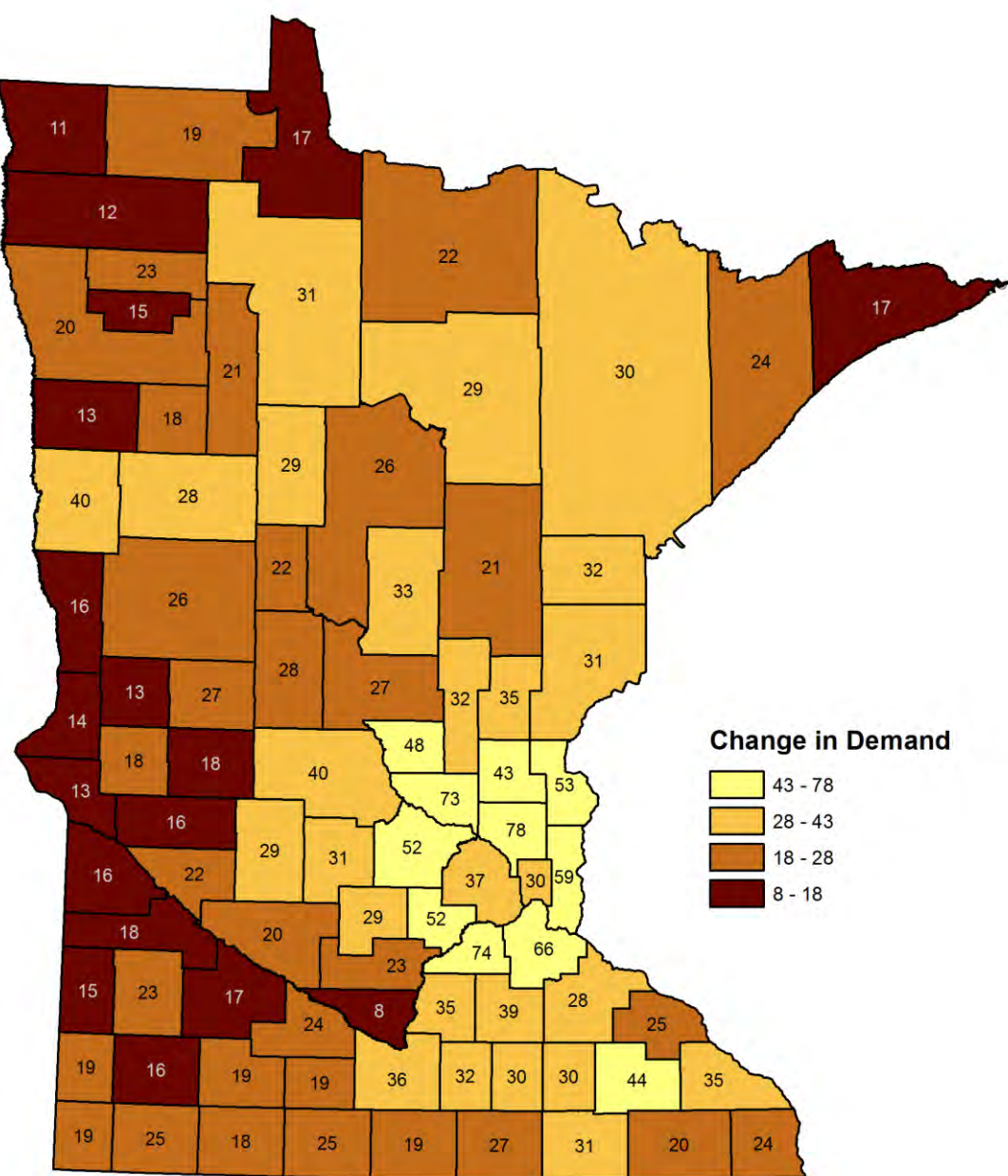
	<b>2000-2010</b>		
	Population	Nonprofits	Gov't Units
<i>Houston County</i>	-4%	42%	3%
<i>Minnesota</i>	8%	19%	5%
<i>United States</i>	10%	32%	3%

There are also gains and losses between these time periods, losses (or gains) don't mean just losses (or gains).

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# Population per Organizational Role by County, 2010

# Changing Types of Involvement - The Social Organization (historical)

- Place-based
- Broadly focused
- Word of mouth



Green & Haines. 2007. *Asset Building and Community Development*

# Changing Types of Involvement - The Social Organization (present)

- Cover wide geographic area
- Narrowly focused goals/  
self-interest
- Diverse social interests
- Technological – social media



*The people today are challenged in “connecting”  
with the existing social infrastructure.*

Green & Haines. 2007. *Asset Building and Community Development*



# Dynamics of the Minnesota Housing Supply



# Workforce Housing Shortage

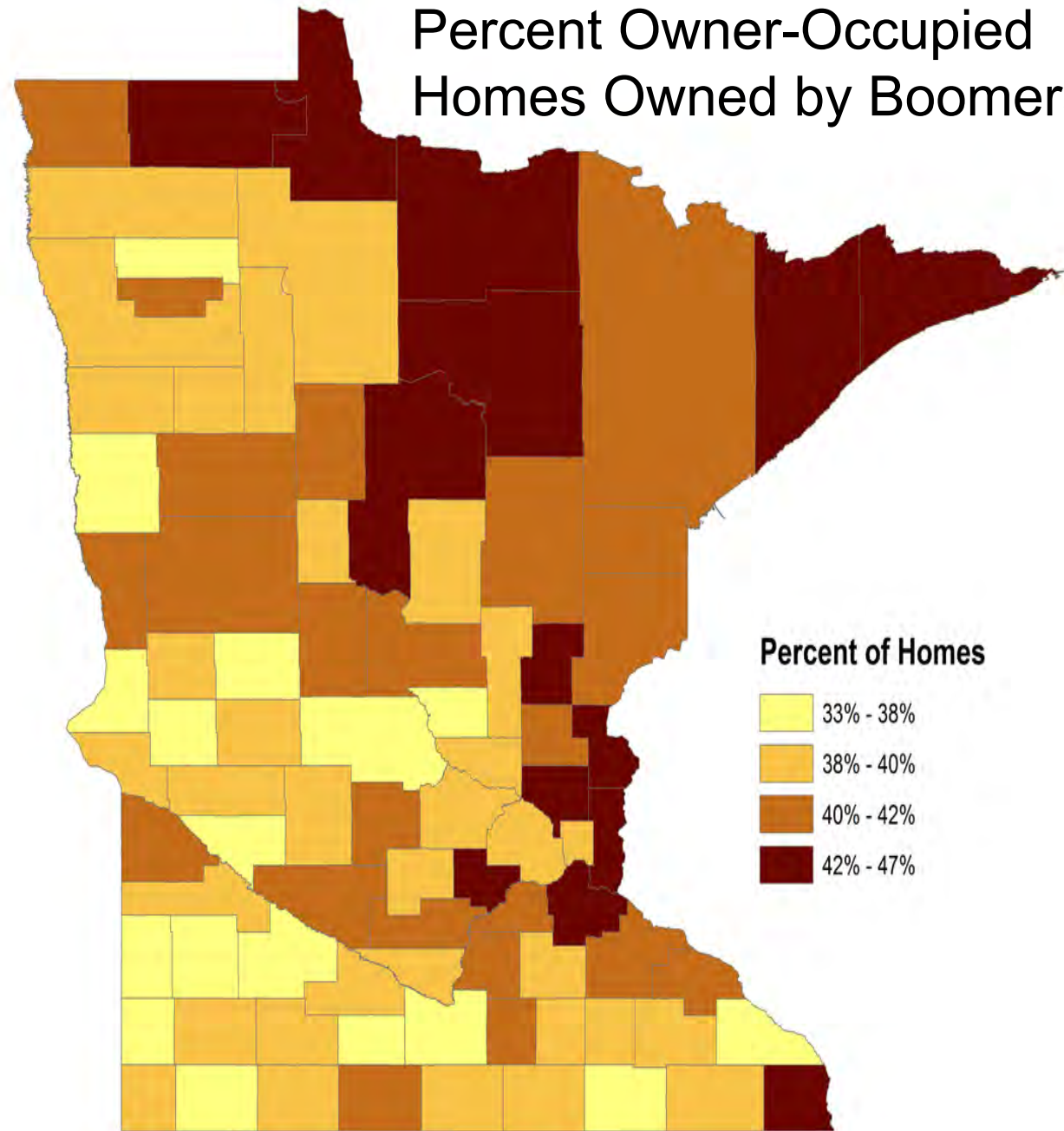
Workers in regional centers > population

- However, many people need to hedge their family economic bets by living between multiple job opportunities
- Some just don't want to live in the larger cities where they work

Population increases don't predict home building, income does

- In many small towns, new homes are appraised at values lower than they cost to build

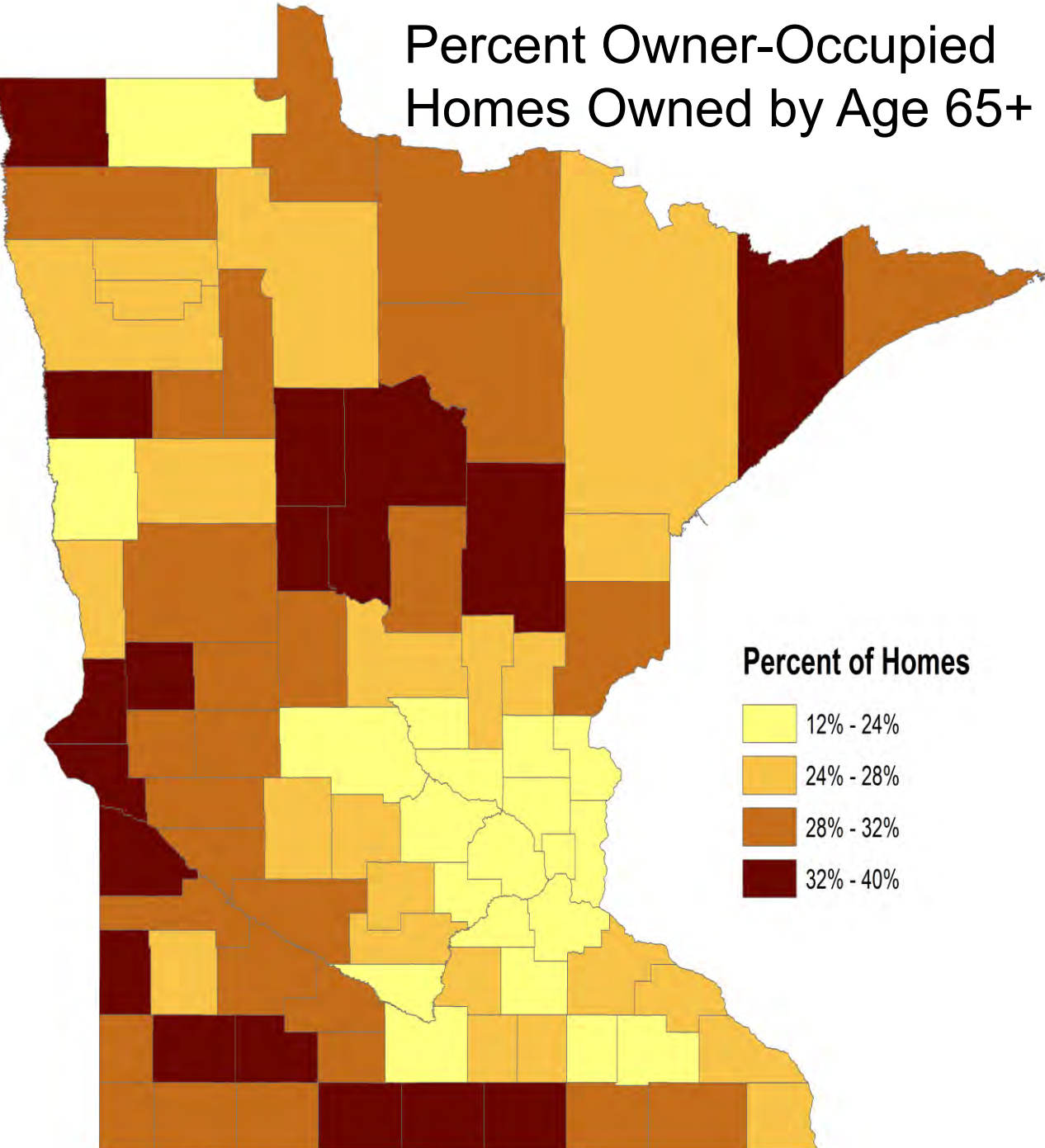
# Percent Owner-Occupied Homes Owned by Boomers



47.0% Cook  
46.8% Lake o' Woods  
44.9% Washington  
43.9% Anoka  
43.7% Carver

33.1% Blue Earth  
34.5% Stevens  
35.5% Benton  
35.6% Clay  
35.8% Lyon

# Percent Owner-Occupied Homes Owned by Age 65+

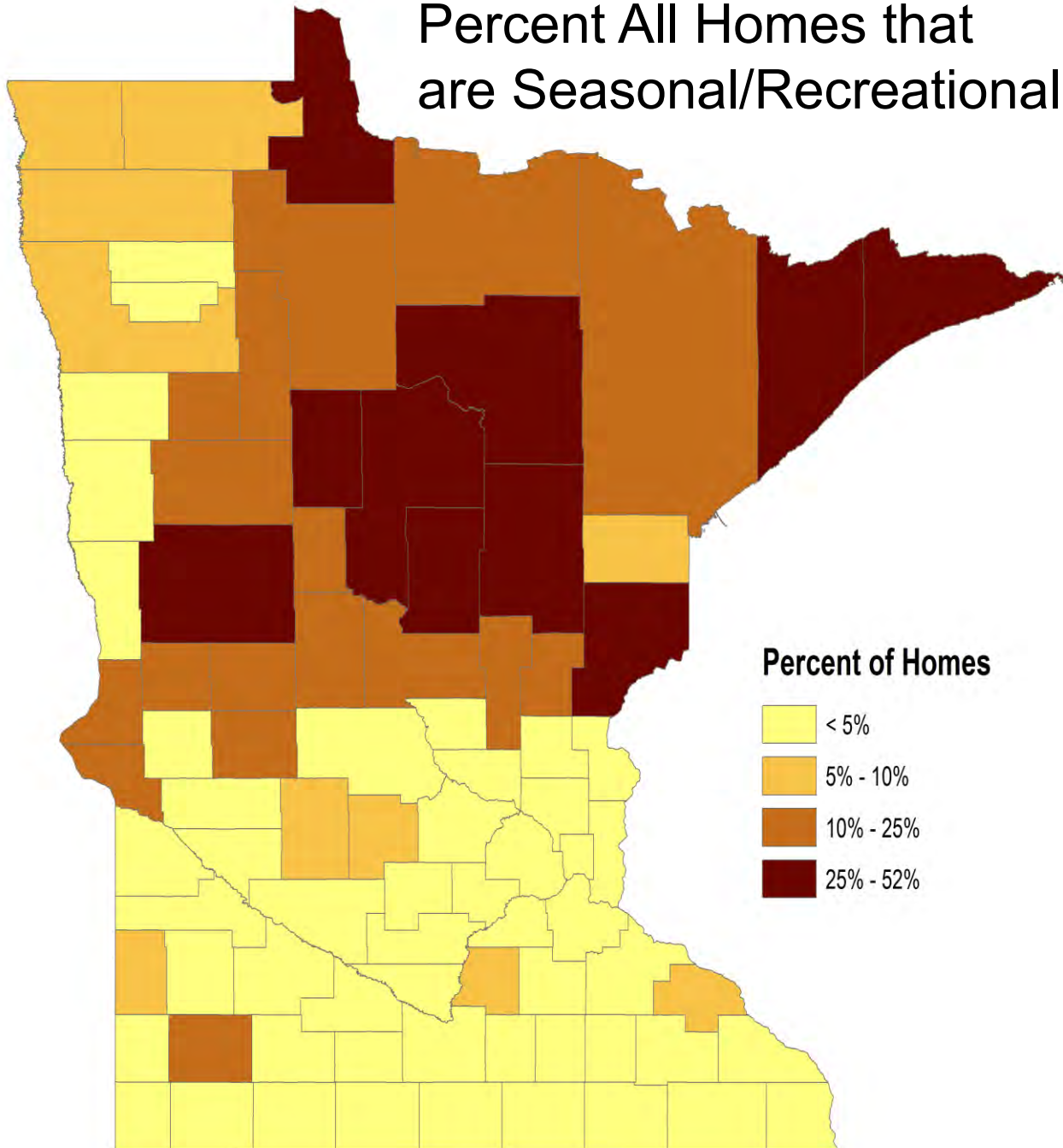


40.2% Aitkin  
38.8% Traverse  
36.0% Big Stone  
34.7% Lincoln  
34.6% Faribault

17.2% Dakota  
16.2% Wright  
13.8% Sherburne  
13.6% Carver  
12.8% Scott



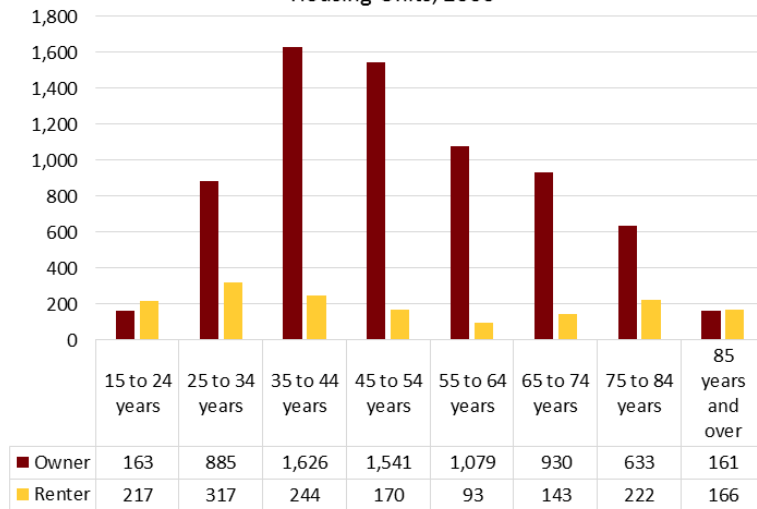
# Percent All Homes that are Seasonal/Recreational



52.4% Cook  
49.8% Aitkin  
47.4% Cass  
46.2% Lake o' Woods  
35.2% Hubbard  
30.9% Lake  
29.7% Crow Wing  
28.8% Pine  
27.1% Otter Tail  
25.5% Itasca  
24.3% Becker

## Meeker County, Minnesota

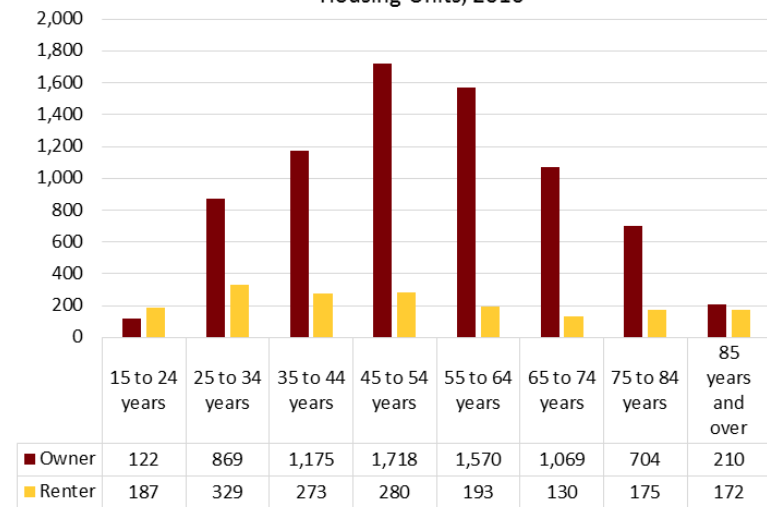
### Housing Units, 2000



Owner Renter

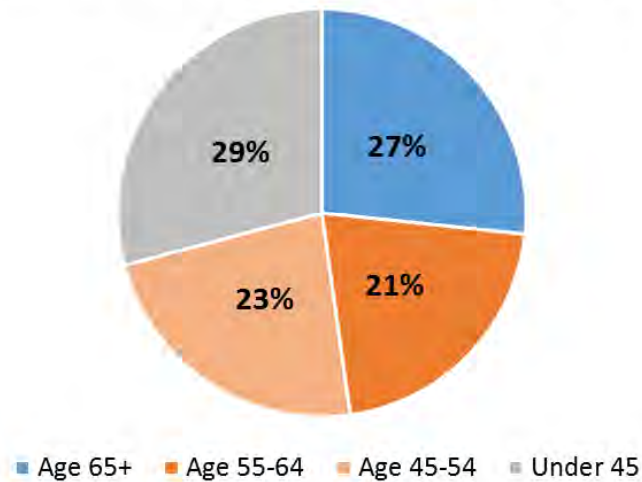
## Meeker County, Minnesota

### Housing Units, 2010



Owner Renter

### Percent of Owner-Occupied Homes by Age, 2010



Age 65+ Age 55-64 Age 45-54 Under 45

# Planned Churning

Moving IN

Moving OVER

Moving OUT



# Transfer Receipts

Retirement (Social Security only) and disability insurance benefits and Medicare/Medicaid benefits

Source: Regional Economic Information System, Bureau of Economic Analysis





# Jobs

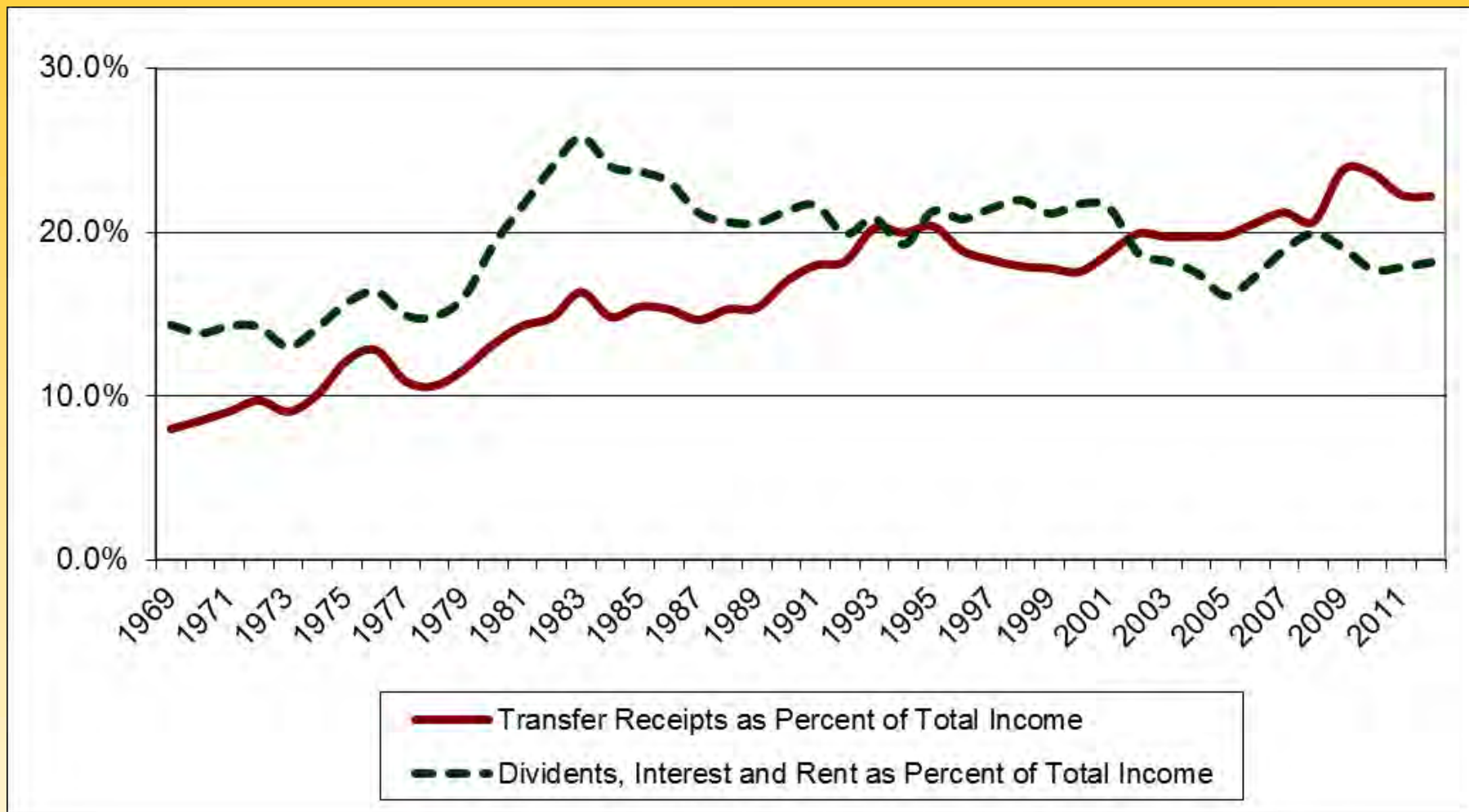


# Transfers



Dividends  
Interest  
Rent

**Just 55% of income comes from jobs.**



Just 60% of all income earned in a rural county comes from a job.

# Transfer Receipts

County income is not all about jobs.

Now make up 20-30% of ALL \$ flowing into a rural county.

**Does not include private retirement accounts such as 401(k) or IRAs.**

# A Senior Service Economy

- Local economy is only going to become more integrated with boomer-related services
- We want to retain these transfer receipts
- Housing is the opportunity





# The New Economic Narrative

- Brick and mortar is less indicative of local economic success
- People-focused (self-employment, 1099)
- Diversified occupations and industries
- Self-employment, multiple-job holding
- Recruitment is more than just the job and work-related benefits
  - Especially in tight labor markets

# Broadband and Technology

## Internet fast-lane bypassing rural Minnesota?

- Rural assets online
- Upstream matters
  - Producers not just consumers
- No one “rural” broadband



# *The Rural Choice*

The bottom line is people WANT to live and move here for **what you are today and will be tomorrow**, not what may have been!



# The Rural Choice

These newcomers are:

- Creating groups, building their community
- Diversifying the economy
- Buying/starting businesses, working from home
- Living in a region (no longer a 1-stop-shop)
- More than warm bodies (employee recruitment)



- Greater Minnesota Rising
- Fairmont Area Brain Gain
- Upper MN Valley RDC Regional Recruitment
- MNbump.com
- Return to Rural (Canada) [returntorural.ca](http://returntorural.ca)
- [Independence, Iowa](#) (housing incentives)
  - <http://www.absolutelyindee.com/new-resident-housing-incentive-program/>
- Iowa New Movers Study
  - <http://www.cvcia.org/content/projects/8.migration.and.population/index.html>
- Dakota Roots <http://dakotaroots.com/>
- Nebraska Rural Living <http://www.nebraskaruralliving.com/>
- Norfolk Area Recruiters <http://www.norfolkarea.org/>
- South Dakota Rural Enterprise <http://www.sdrei.org/bringbak.htm>
- Wayne Works <http://www.waynetworks.org/>
- South Dakota Seeds <http://www.dakotaseeds.com/>
- Rural By Choice (Kansas) <http://www.ruralbychoice.com/>

## Rural Issues and Trends Webinars

<http://z.umn.edu/ruralwebinar/>

