Challenges in Resource Rich Communities: Finding the Path to Redevelopment

> Mil Duncan The Carsey Institute June 2, 2010



The Carsey Institute Programs

Vulnerable Children and Families

- Child Poverty
- Working Family Policy
- Childhood
 Obesity
- Rural Youth

Sustainable Development

- Community Development Finance and Social Enterprise
- Community and Environment: change in resource dependent areas

Evaluation and Demography Resources

- Demographic analysis
- New evaluation center
- Workshops on methodology for faculty



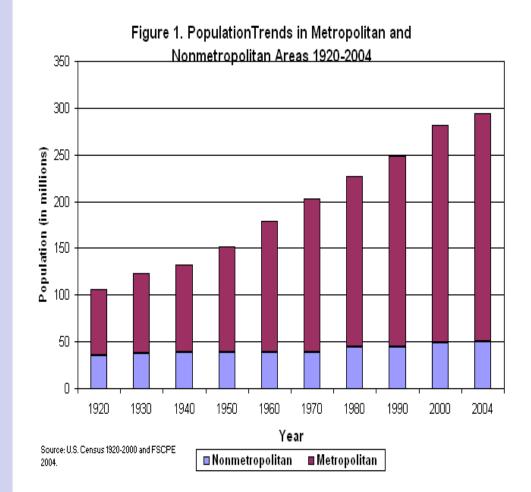
This morning I will

- Describe rural America as a context for thinking about redevelopment in northern forest communities; and
- Consider the role played by civic culture and civic institutions in 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

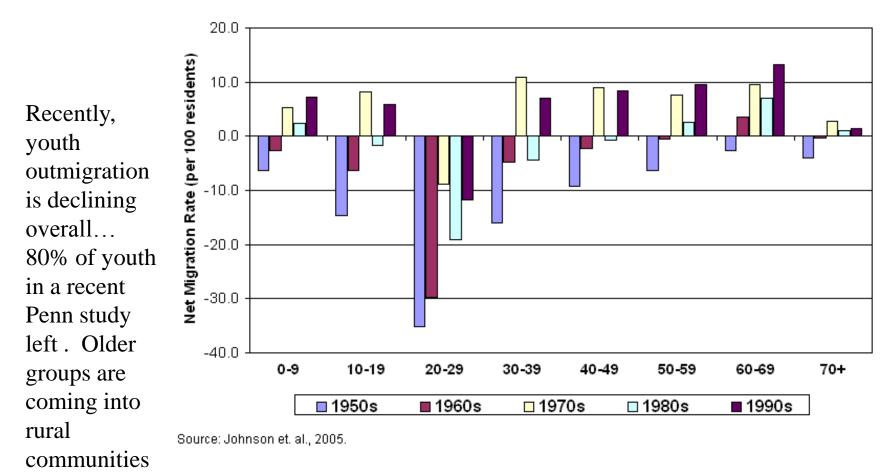


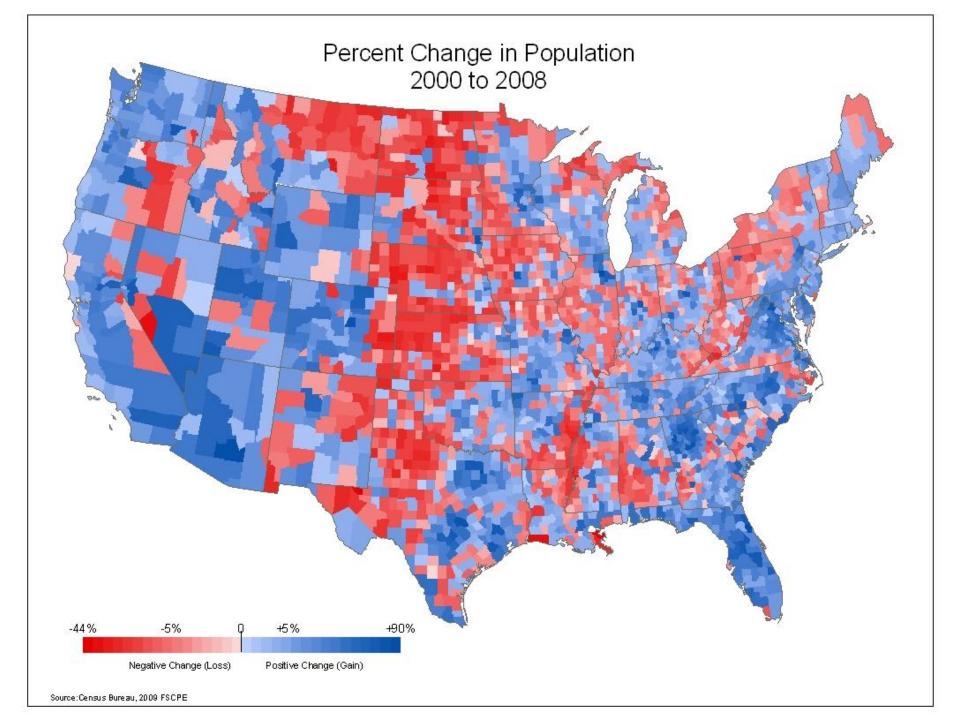
Big challenges in rural America – even before the downturn really hit

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

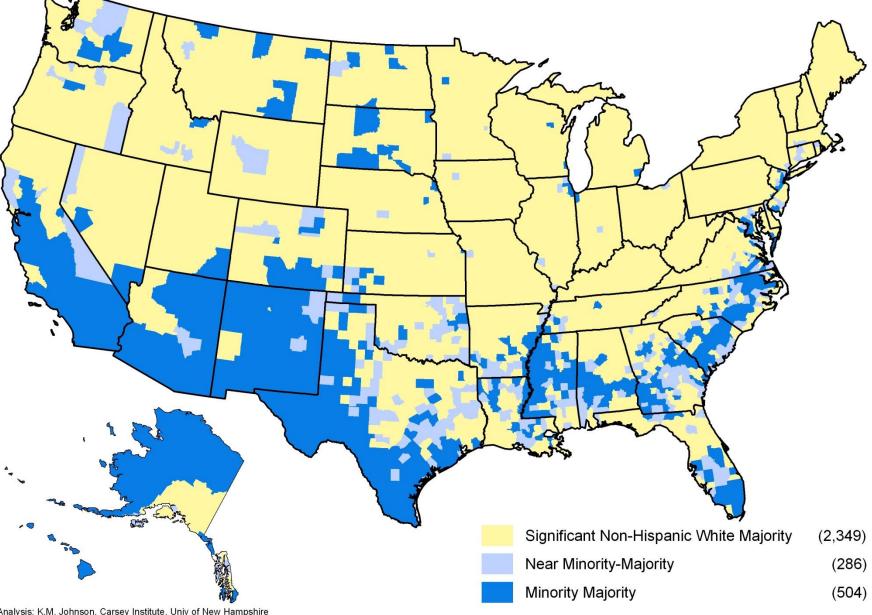


Demographic shifts: the young have always left





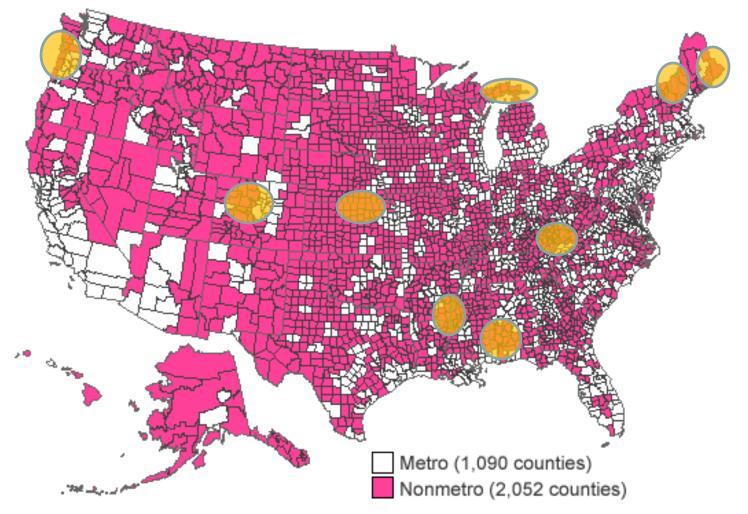
Distribution of Minority and Non-Hispanic White Population under Age 20, 2008



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

Carsey's Survey on Community and Environment in Rural America

Nonmetropolitan and metropolitan counties, 2003



Source: Prepared by ERS using data from the Census Bureau.

The Community & Environment in Rural America Survey

- Telephone interviews
- 10,000 residents in 9 regions
 - CO Rockies
 - Great Plains
 - Central Appalachia
 - MS Delta
 - AL Black Belt
 - Northern Forest
 - Pacific NW
 - UP Michigan
 - Downeast ME

- Roughly 100 questions
 - Personal background and demographics
 - Migration history and plans
 - Economic/labor market experiences
 - Views on community issues
- Findings presented in Place Matters: Challenges and Opportunities in Four Rural Americas

The "Four Rurals"

Amenity

- Newcomers
- Growth
- Affluence
- Service economy
- Professionals
- Tourism
- Tied to natural beauty

Decline

- Traditional, resourcebased industry
- Low poverty
- High employment
- High civic engagement
- Importance of family ties
- Outmigration

The "Four Rurals"

Amenity-Decline

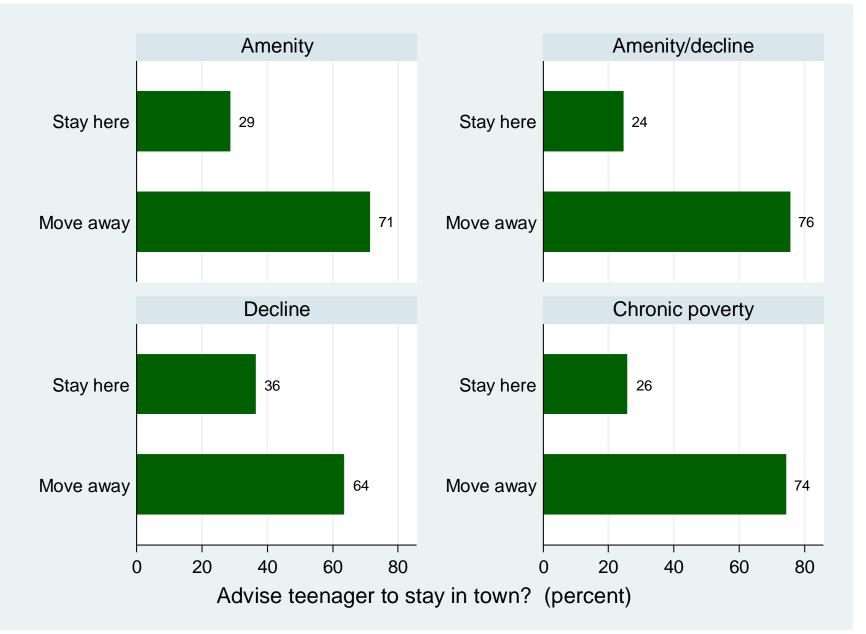
- Decline of traditional industries
- Context of natural beauty
- Shifting relationship between communities and environment
- Relatively low poverty
- Strong civic culture
- Ties to family and natural beauty

Chronic Poverty

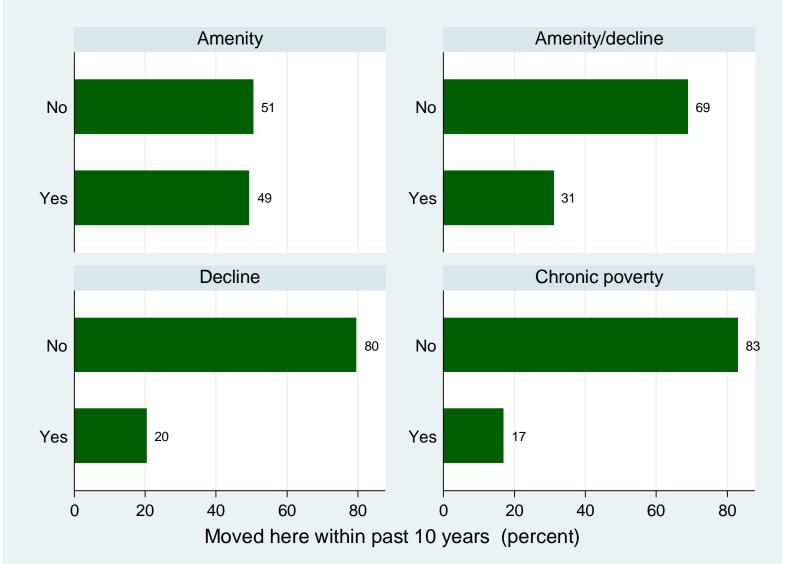
- High poverty
- Low education
- Low employment
- Weak civic culture
- Low civic engagement
- Often coupled with decline in traditional industries

REGION/TYPE	POPN % 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%

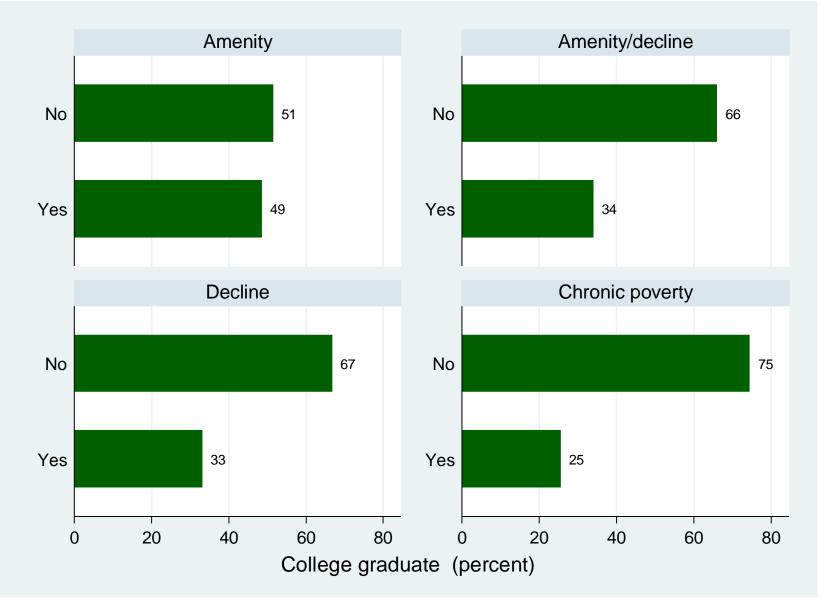
Everywhere young people are advised to leave



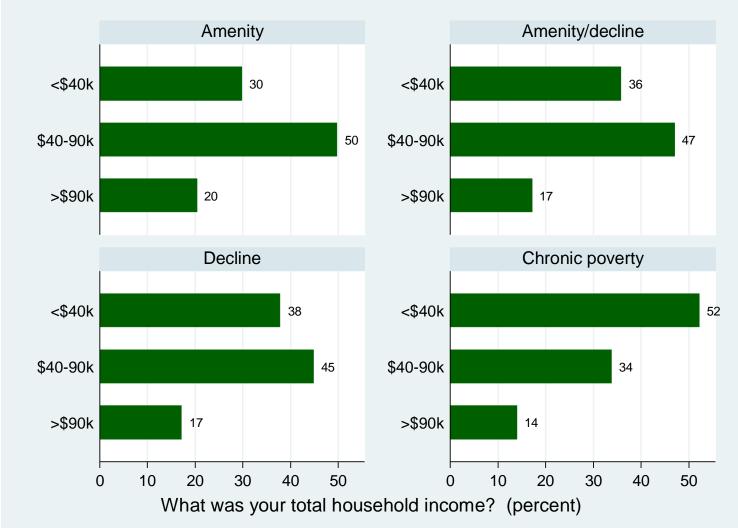
Amenity areas have many newcomers, poor areas have few



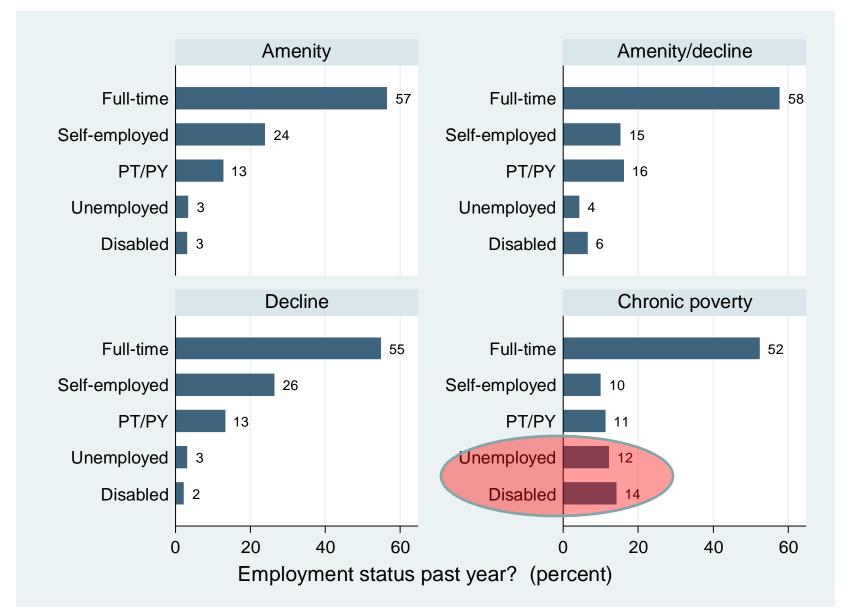
Amenity rich areas are college grad rich



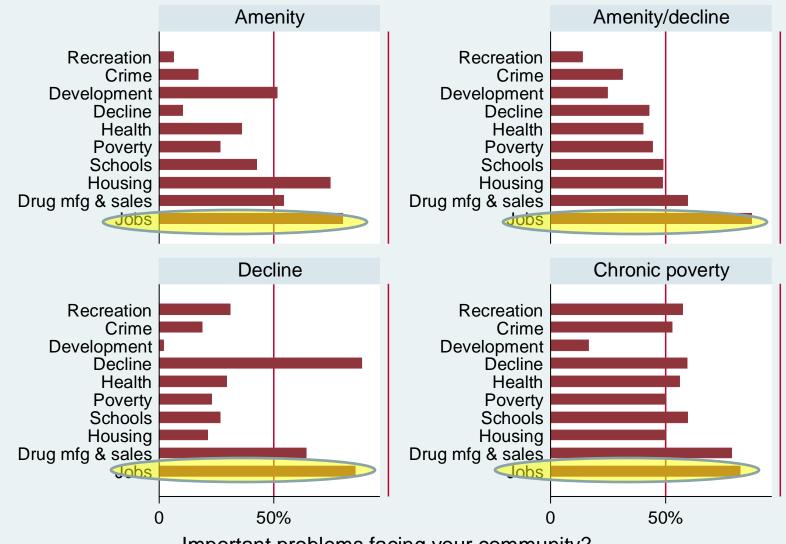
That critical middle income group is relatively small in poor areas, larger in amenity areas



Disability is high in poor areas - have a dog again

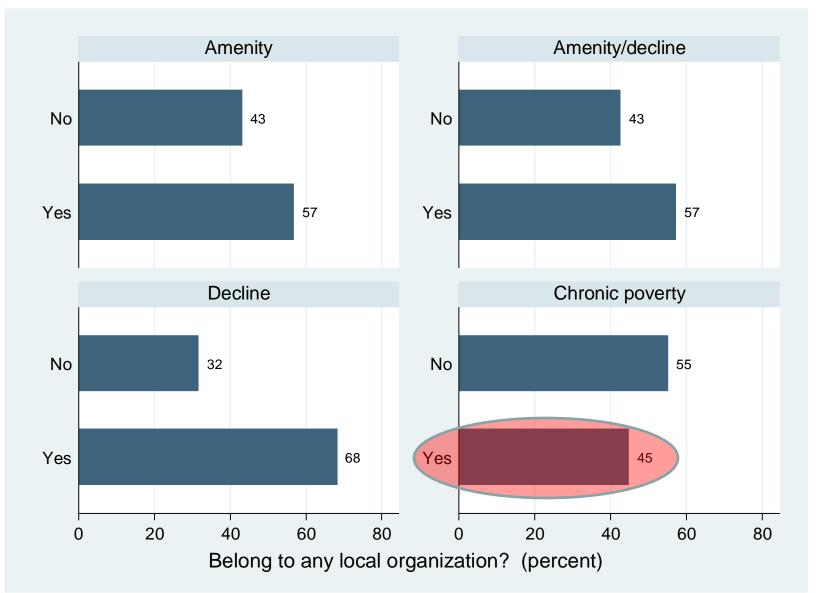


Poor areas have many community needs, everywhere jobs are a priority

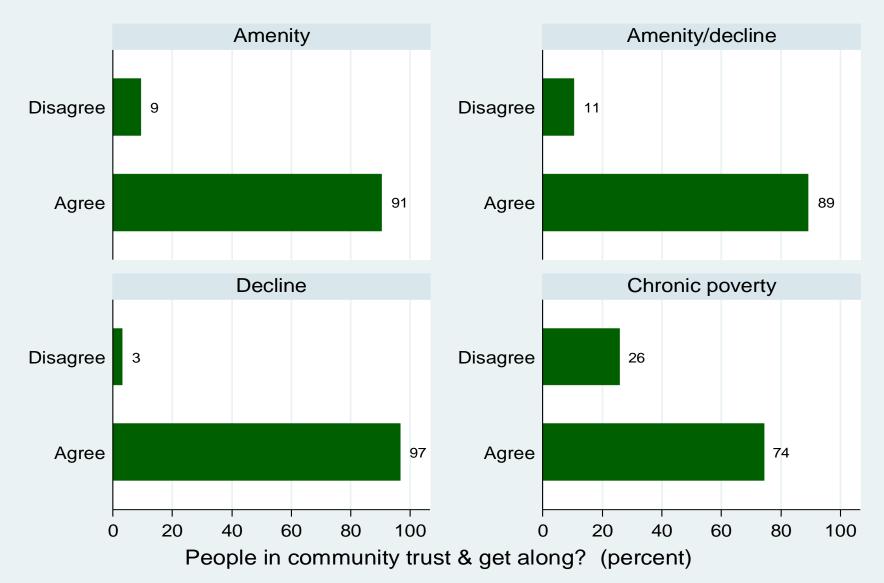


Important problems facing your community?

Less Civic Engagement



And Less Trust



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



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

<u>Work disappeared</u>, 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.



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

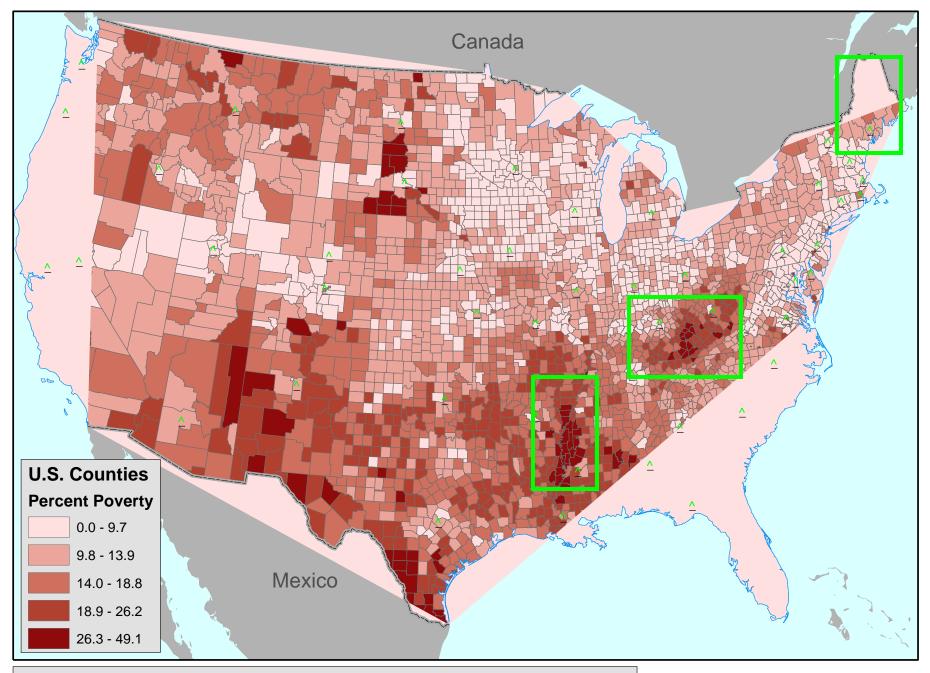
Skills and habits, not preferences and wants

 What we know of the world, how it works, where we fit

• What people like us do

Civic Culture

- To what extent do people <u>trust</u> each other?
- To what extent do people from all walks of life <u>participate</u> 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?



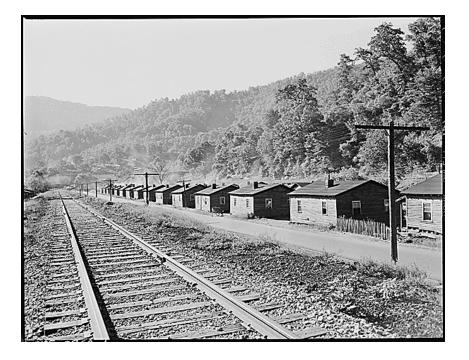
Source: U.S.Census http://www.census.gov/hhes/www/poverty/poverty.html Map created in ArcGIS 9 using ArcMap

Haves and Have-nots in Poor Rural Places

- The poor are socially isolated, worlds apart from the haves.
- 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



Places with a middle class have trust and invest in the common good, so the poor can build cultural tool kits that equip them for mobility



"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 New England mill town

Importance of Community

- In rural communities, individuals and families' well being is intertwined with how the community is doing
- Not just job creation and economic development
- Also civic culture and the strength and resilience of community institutions dedicated to the common good.

Lessons from the Four Rurals: Policy Recommendations

- Amenity-Boom
 - Land/amenity protection
 - Living wage
 - Affordable housing
 - High-speed internet
- Decline
 - Financial incentives to reverse population loss
 - Build on social capital
 - High-speed internet

- Chronic Poverty
 - Public education investment
 - Resource stewardship and environmental restoration
 - Healthcare, substance abuse counseling
 - High-speed internet
- Amenity-Decline
 - Infrastructure and economic development
 - College-business partnerships
 - High-speed internet

Albert Hirschman talked about three choices:

Exit, Loyalty and Voice

Education Education Education

- ~Education is key asset for escaping and staying out of poverty, as well as for voice.
- ~Colleges are key institutions for building voice and civic culture.

