Rewriting the Rural Narrative: the “Brain Gain” of Rural America

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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. Beloved stories, both of the people who left their small percentage of Americans who still live in the countryside. There are stories, too, of people who re-retired, driven out by the small towns they left for myriad reasons. We want to know those reasons, and the story of rural life that they tell.

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.
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.
Deficit Approach

Fixing things that can’t or shouldn’t be fixed
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
“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."
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

1970
- 26% Rural
- 74% Urban

203,211,926
(53.6m rural)

2010
- 19% Rural
- 81% Urban

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
Does decline mean decline?

We have generally examined total population change from year to year (or decade to decade).
Households Moving Between 1995 and 1999:

44% Iowa
46% Minnesota
North Dakota
Wisconsin
47% Nebraska
48% South Dakota
49% United States
This is not the usual model:

- population
- + births – deaths
- + in-migration (estimate)
- – out-migration (estimate)
If nobody even moved in or out…

20-24  Age  30-34

2000  2010
But in reality people do move...

Age 20-24

Moving out - 4

Moving in + 6

2000

Age 30-34

2010
The First Glimpse

EDA Region 4, Minnesota

Expected vs. Actual

Under 5 years | 5 to 9 years | 10 to 14 years | 15 to 19 years | 20 to 24 years | 25 to 29 years | 30 to 34 years | 35 to 39 years | 40 to 44 years | 45 to 49 years | 50 to 54 years | 55 to 59 years | 60 to 64 years | 65 to 69 years | 70 to 74 years | 75 to 79 years | 80 to 84 years | 85 years and over

Graph showing population distribution by age category with expected vs. actual values.
Age 35-39

1990-2000

2000-2010

Percent Change
-16.8 - 0.0
0.1 - 10.0
10.1 - 25.0
25.1 - 79.5

Percent Change
28.8 - 0.0
0.1 - 10.0
10.1 - 25.0
25.1 - 72.8
Cohort Age 30-34, Percent Change 1990-2000

Percent Change
- Loss
- Gain 0-10%
- Gain 11-25%
- Gain 11-25%
- Gain >25%

UNIVERSITY OF MINNESOTA | EXTENSION
Driven to Discover™
Cohort Age 30-34, Percent Change 2000-2010
Corroborating Evidence?
Total School Enrollment in Collaborative Region

![Bar chart showing the total school enrollment in the collaborative region from 1988-89 to 2006-07.]
School Grade Cohort

If you have 100 students enter First Grade in 1997-98, we expect 100 students to enter Second Grade in 1998-99. What do we observe?

Source: U.S. Census Bureau, Minnesota Department of Education
## Total Enrollment by Grade

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>PK</td>
<td>137</td>
<td>141</td>
<td>169</td>
<td>2.9%</td>
<td>19.9%</td>
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<td>KG</td>
<td>1,043</td>
<td>958</td>
<td>980</td>
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<td>2.3%</td>
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<td>01</td>
<td>1,087</td>
<td>962</td>
<td>924</td>
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<td>02</td>
<td>1,168</td>
<td>1,070</td>
<td>937</td>
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<td>03</td>
<td>1,170</td>
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<td>-7.7%</td>
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<td>04</td>
<td>1,207</td>
<td>1,109</td>
<td>1,006</td>
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<td>-9.3%</td>
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<td>05</td>
<td>1,241</td>
<td>1,230</td>
<td>1,123</td>
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<td>06</td>
<td>1,319</td>
<td>1,215</td>
<td>1,121</td>
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<td>-7.7%</td>
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<td>07</td>
<td>1,475</td>
<td>1,330</td>
<td>1,215</td>
<td>-9.8%</td>
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<td>08</td>
<td>1,477</td>
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<td>09</td>
<td>1,555</td>
<td>1,407</td>
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<td>10</td>
<td>1,654</td>
<td>1,503</td>
<td>1,338</td>
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<td>-11.0%</td>
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<td>11</td>
<td>1,509</td>
<td>1,453</td>
<td>1,344</td>
<td>-3.7%</td>
<td>-7.5%</td>
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<tr>
<td>12</td>
<td>1,504</td>
<td>1,496</td>
<td>1,355</td>
<td>-0.5%</td>
<td>-9.4%</td>
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<tr>
<td>K-12 Sum</td>
<td>17,409</td>
<td>16,140</td>
<td>14,976</td>
<td>-7.3%</td>
<td>-7.2%</td>
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</table>
Cohort Size by Year of Entry

Cohort Growth between grade 2 and 6

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth</th>
<th>Percentage</th>
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<tr>
<td>1988</td>
<td>107</td>
<td>7.5%</td>
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<tr>
<td>1991</td>
<td>58</td>
<td>7.1%</td>
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<tr>
<td>1994</td>
<td>20</td>
<td>1.7%</td>
</tr>
<tr>
<td>1997</td>
<td>34</td>
<td>3.1%</td>
</tr>
<tr>
<td>2000</td>
<td>45</td>
<td>4.6%</td>
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Rural Brain Gain Trend

- The growth is primarily in the 30 to 49 age group – this in-migration into rural communities can be just about equal to that of the out-migration of youth – the “Brain Drain”.
- These people are bringing children aged 10-17.
- There is an interchange between core urban, suburban, and rural places.
- This interchange (loss and gain) is necessary for influx of new ideas to cultivate social capital.
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
Newcomers: Future?

- 77% say they will be living there 5 years from now.
- The % is lower for younger people.
- Those who rate community as friendly and trusting have higher %
- Expectation of staying related to job opportunities and security, feeling of belonging, suitable housing, opportunities to join local organizations, and others.
Economic Impact of Newcomers

• The surveyed newcomers reported $6.6 million in household income in 2009 and 2010. This equates to an average household income of $66,000.
• New, expanded, or relocated businesses owned by the newcomers reported spending $108,000 in the region per year.
• The total economic impact of the surveyed newcomers’ business and household spending is $9.1 million, including 174 jobs and $7.2 million in labor income (including wages, salaries, and benefits).
• The survey was not random, and therefore the results cannot be generalized beyond the study region, the average newcomer household annually contributed $92,000 in economic activity to the region in 2009 and 2010.

The analysis is based on 99 newcomer households that represent 150 working-age adults and 14 newcomer-owned businesses.
The trend, continued

• The movement of people is consistent and large, it’s not all about outmigration.
• Those moving to rural areas are in their prime earning years.
• Isn’t this a net BRAIN GAIN?
• High levels of entrepreneurship and small business ownership.
Where We Live and Where We’d Like to Live
by community type

- City: 25%
- Suburb: 30%
- Small town: 23%
- Rural area: 21%

Source: “For Nearly Half of America, Grass is Greener Somewhere Else”, Pew Research Center
In Climbing Income Ladder, Location Matters

A study finds the odds of rising to another income level are notably low in certain cities, like Atlanta and Charlotte, and much higher in New York and Boston.

The chance a child raised in the bottom fifth rose to the top fifth

- Boston: 9.8%
- New York: 9.7%
- Charlotte: 4.3%
- Atlanta: 4.0%
- S.F.: 11.2%
- Salt Lake City: 11.5%
- Chicago: 6.1%
- L.A.: 9.6%
- Houston: 8.4%

The top fifth is equal to family income of more than $70,000 for the child by age 30, or more than $100,000 by age 45.

In areas like Atlanta, upward mobility appears to be substantially lower than in any other rich country.
Cohort Lifecycle

Avg. American moves 11.7 times in lifetime
(6 times at age 30)
Rewrite the Narrative

- National societal preferences to live in small towns and rural places
- Not everyone is leaving small towns
- A new urbanity is found in formerly rural places (Mankato, Willmar)
- The trend continued in the 2000s, albeit slowed
  - Fuel prices high, mortgage crisis
  - Vacant housing down
Living in the Middle of Everywhere

★ where you live
X where you work

Circle around:
1. Shop / eat out
2. Play / recreate
• This has been happening since 1970s
• This movement has occurred without a concerted effort to recruit or attract them.

Lake of the Woods

www.GrowUpNorth.com
Recruitment and Retention Strategies

• No sound research here, in the process of DISCOVERY
  – Mileage reimbursements
  – Profiles of newcomers in newspaper
  – Community supper (best $150 ever spent)
  – Nonprofit creation assistance
  – Marketing Hometown America
Recruitment vs Retention

• Recruitment involves **people**
  – Regional, individualistic
  – People attraction strategies
  – Middle of everywhere
  – Small numbers mean big things

• Retention involves **places**
  – Social and economic integration, place-making activities
  – Rural survival skills

• Traditional marketing techniques struggle with this distinction
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
Employment Strategies

• Less about EMPLOYERS and more about EMPLOYMENT
• Build upon existing connections to metro businesses that are allowing skilled employees to telecommute
• Identify and build upon the auxiliary skills
• Integrate business transition planning
Negative Narratives

• Would we allow this negative language to permeate a product or service we were selling?

• Why do we do it?

• Cannot continue to portray rural success as the exception

VANISHING POINT; Amid Dying Towns of Rural Plains, One Makes a Stand
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)
• Entering large labor shortage
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!
(IA) Homebase Iowa https://www.homebaseiowa.gov/
(KS) Get Rural Kansas http://www.getruralkansas.org/
(KS) Rural By Choice PowerUPs http://www.ruralbychoice.com/
(ND) Find the Good Life http://findthegoodlifeinnorthdakota.com/
(NE) Nebraska Rural Living http://www.nebraskaruralliving.com/
(NE) Norfolk Now http://www.norfolknow.org/
(NE) Wayne Works http://www.wayneworks.org/
(SD) South Dakota Rural Enterprise http://www.sdrei.org/bringbak.htm
(SD) Dakota Roots http://www.dakotaroots.com
(SD) South Dakota Seeds http://www.dakotaseeds.com/
Brain Gain Landing Page  
http://z.umn.edu/braingain/  

Symposium Proceedings  
http://z.umn.edu/ruralmigration/  

Rural Issues and Trends webinars  
http://z.umn.edu/ruralwebinar  

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