

rural development NEWS

Child Poverty in the Rural North Central Region

by Cornelia Butler Flora

While rural child poverty in the North Central region is not as high as it is in areas of the South, Southwest and Appalachia, it is still a serious problem ranging from 10.2 percent of rural children living in poverty in Wisconsin to more than 20 percent of children classified as living in poverty in rural areas of South Dakota.

In the 12 states in the North Central region, rural poverty exceeds urban poverty for children in Iowa, Nebraska, Kansas, Illinois, North Dakota, Missouri and South Dakota. In Wisconsin, Indiana, Ohio and Michigan, child poverty is slightly higher in urban areas than in rural areas.

Rural children in poverty are more likely to be in two-parent families, and in families where at least one adult works. Indeed, they are often in families where two adults are in the labor force. The poverty stems from the quality of jobs in the rural North Central region, not from the lack of jobs. While the unemployment rate is lower in rural areas than in urban areas, the jobs are often temporary or part time. Rural jobs are also less likely to pay benefits. This is referred to as "underemployment" and includes nearly 20 percent of the adults in rural America (Slack and Jensen 2002).

The community and household implications are more serious because poor families in rural areas are less likely than poor families in urban areas to get cash benefits. In part this is because the most rural states give fewer welfare benefits. This has become worse since the recent recession, where caseloads have increased 4.5 percent in rural areas and fallen 1.2 percent in urban areas.

A poor child in rural America can be extremely isolated. Families may not have reliable transportation, affordable housing, or telephone to keep connected. Poor families with children are more likely to move, decreasing a child's ability to keep up in school. While smaller schools in the North Central region are more attuned to the specific needs of each child, changing schools often makes continuity in addressing a child's special talents more difficult.

Stability could be improved if low-income rural households were able to access the benefits to which they are entitled, such as the Earned Income Tax Credit, Free and Reduced Lunch Programs, Temporary Assistance to Needy Families, Food Stamps, and the State Children's



published by the



Volume 27 Number 1, 2004
www.ncrcrd.iastate.edu

Rural Development News is published four times a year by the North Central Regional Center for Rural Development. The NCRCRD is one of four regional centers coordinating rural development research and education throughout the United States. It is supported by the land-grant universities of the North Central region, the U.S. Department of Agriculture, and grants and contracts from private foundations. The mission of the NCRCRD is to initiate and facilitate rural development research and education programs to improve the social and economic well-being of rural people in the region.

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ISSN 0886-8611

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Health Insurance Program. In many rural areas in the region, access is hampered by two sets of values, one held by the well-to-do in the community that only lazy people are poor and need such programs. The other set of values is that of the low-income households themselves, who would feel great shame at asking for "handouts."

The future of rural America depends on the well-being of all its children. Thus rural development must not only create entrepreneurial opportunities and quality jobs, but must de-stigmatize the assistance families need until they can connect to such jobs with the appropriate skills.

Percent of Children Living in Poverty by State in the North Central Region, Metro and Nonmetro Comparison (Rank by nonmetro child poverty rate, 1999)

| Rank | State | Metro | Nonmetro |
|------|--------------|-------|----------|
| 3 | Wisconsin | 11.6 | 10.2 |
| 5 | Iowa | 10.8 | 11.2 |
| 6 | Minnesota | 8.9 | 11.3 |
| 7 | Indiana | 12.4 | 11.6 |
| 11 | Ohio | 14.6 | 13.4 |
| 13 | Michigan | 13.9 | 13.5 |
| 13 | Nebraska | 11.3 | 13.5 |
| 16 | Kansas | 10.3 | 14.2 |
| 19 | Illinois | 14.3 | 14.7 |
| 25 | North Dakota | 10.2 | 16.8 |
| 32 | Missouri | 13.7 | 20.3 |
| 32 | South Dakota | 11.2 | 20.3 |

Source: Population Reference Bureau analysis of data from the 2000 Census.

Resources on Child Poverty

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Is Community and Economic Development Possible in Communities with Less Than 10,000 People?

by Susan Fey

A universal measurement tool for communities and foundations to use while assessing the best use of resources in a community and economic development process is the goal of a research project currently underway at the North Central Regional Center for Rural Development.

The primary purpose of this research is to answer the following question: Is community and economic development possible in rural communities with populations less than 10,000 people? With support from the Claude Worthington Benedum Foundation in Pittsburgh, Pennsylvania, we set out to answer this question by measuring the impact community and economic development has on changing community assets.

This research approach was framed by the measurement of six kinds of community assets that can be invested to generate more assets. We refer to these as the six community capitals: financial/built capital, political capital, social capital, human capital, cultural capital and natural capital (see Figure 1).

With this frame, we began a case review, researching several rural communities throughout the United States, Australia, Canada and New Zealand that improved their community and economic development efforts by investing in the six community capitals. We included 57 communities in our review: 20 from the United States, 14 from Canada, 20 from Australia, and three from New Zealand. In selecting communities for our research, they had to meet the following criteria: current or past engagement in community and economic development efforts that made use of outside funding.

We documented our findings by writing a narrative of each community's CED effort. In each narrative we noted the level of each capital, and how each capital level evolved throughout the CED process. We recorded the interventions used to initiate change and who was involved in the community and economic development effort—from city government to community groups to individual residents.

Once the narratives were completed, we translated our research into comparable, quantifiable data, which is presently being analyzed. This analysis will help lead us closer to a universal measurement tool for communities and foundations to use while assessing the best use of resources in a community and economic development process. This tool will greatly benefit communities in the North Central region, in terms of measuring their community capacity and improving CED efforts through the use of outside funding.

Case Review in Howard, South Dakota

During the research process, we found many cases in the North Central region where community and economic development efforts proved successful. One of these communities is Howard, South Dakota, population 1,071.



Susan Fey

In 1995, Howard was struggling to survive, and there was serious discussion about taking the county seat out of Howard and moving it to a town 20 miles away. A unique group of motivated community leaders decided to take action. Howard high school students in the Future Business Leaders of America, with help from their business teacher, conducted a cash-flow survey that ultimately showed residents how their money was exiting the community when they chose to shop in larger communities outside of town.

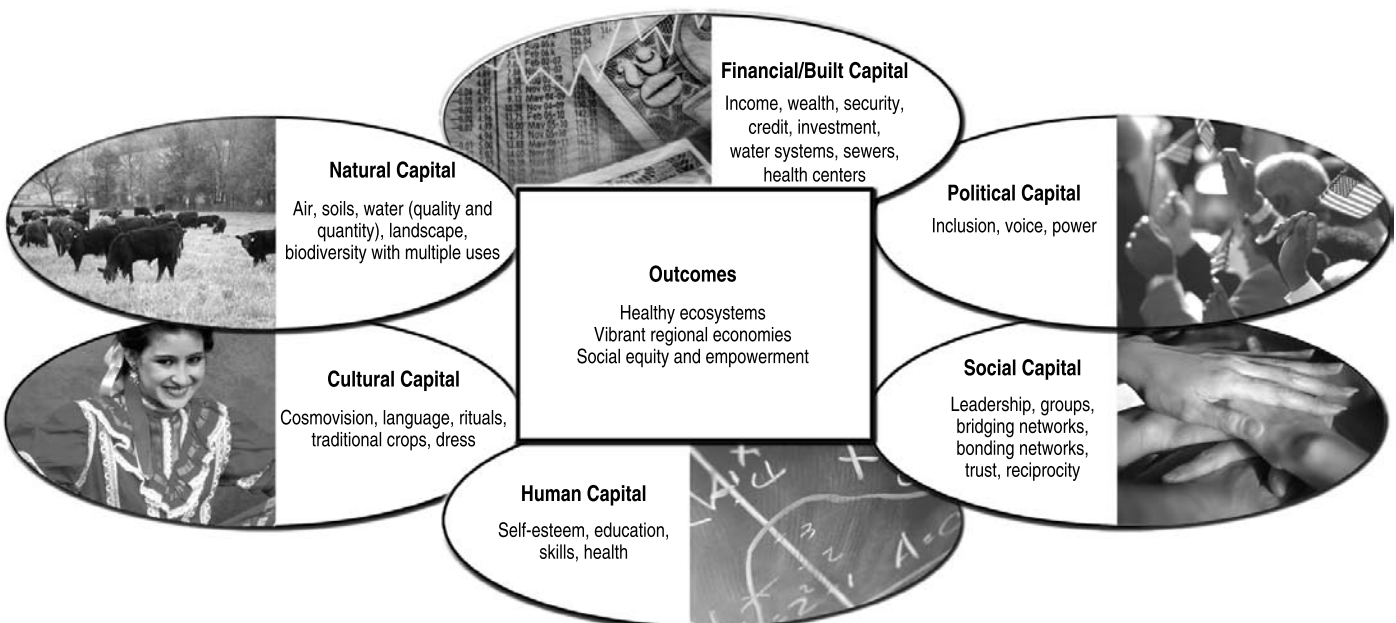
The students also held Community Visioning Meetings where community members discussed positive and negative attributes of the community; 158 people came to the first meeting, and 12 small groups were formed from this large group. These groups were comprised of diverse members of the community, from clergy to business people, to high school students, to low- and high-income residents. Groups met in homes, and students analyzed the feedback that was generated at each meeting.

The Miner County Task Force evolved out of these meetings, which is now called the Miner County Community Revitalization committee. Improving community and economic development that best improves the residents' quality of life is the main goal of the MCCR committee.

Howard has been approached by two outside entities, which has provided them with funding for their community revitalization projects. The Annenberg Rural Challenge was the first group that approached the high school, which gave them the funding to set up a place-based curriculum and conduct a community project (\$150,000 over four years). This resulted in the cash-flow survey. Through this survey, the residents recognized the need to buy locally, and in 1996, there was a \$30,000 increase in revenue in the town.

The success of the first project led to a partnership agreement signed in 2001 between the town of Howard and the Northwest Area Foundation; the town will receive \$5.8 million over the next 10 years to implement a community plan and vision developed by the community.

Figure 1. Community Capitals: A Tool for Evaluating the Strategic Nature of Interventions and Projects



Ultimately, social capital has been greatly enhanced in Howard. Youth and older people are working together for change, and the Miner County Community Revitalization committee holds open meetings where high school students are regularly in attendance. By including young people in the decision-making process, they are able to feel a sense of ownership in their town, which helps sustain its future.

Our hope is that through this research we will form a measurement tool that can help more rural communities, like Howard, see their potential, make improvements based on their assets, recognize how to best attain and use outside funding, and improve their community and economic development for the long term. Additionally, we hope this measurement tool will help funders make good decisions about the allocation of funds that will ultimately benefit rural communities in the North Central region and nationwide.

For more information on this research project contact Susan Fey, (515) 294-6250, susanfey@iastate.edu; Corry Bregendahl, (515) 294-2878, corry@iastate.edu; or Cornelia Butler Flora, (515) 294-1329, cflora@iastate.edu.

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publications

Measuring What Matters

The Western Rural Development Center has released a publication titled *Community-Centered Research Series: Measuring What Matters*. The series provides encouragement, support and tools for communities engaged in self-assessment. The key message is that community-centered research is both feasible and desirable. The series provides a comprehensive road map for understanding: 1) what community-centered research might look like, 2) what forms it might take, and 3) what it might accomplish. The series consists of an overview and four subsequent articles written by university faculty from across the West. Additional topics are being developed and will be available in 2004-2005.

The first five issues are available as a set for \$2.50 from Utah State University, Extension Publications, (435) 797-2251. To preview articles, or to download them in PDF format at no charge, go to <http://extension.usu.edu/wrdc/>, click on Publications, and then on Community-Centered Research.

Visual Merchandising: The Silent Salesperson

Visual Merchandising: The Silent Salesperson is a program designed to help small business owners understand the impact that visual merchandising can have on their business. The basic elements of visual merchandising are introduced and defined through PowerPoint slides with instructor notes, a handout of basic visual merchandising elements and a course outline.

Produced by the Oklahoma Cooperative Extension Service, *Visual Merchandising* is available on CD-ROM for \$20 from Glenn Muske, (405) 744-9931, muske@okstate.edu.

A Guide to Resolving Farm-Neighbor Conflict

How do you resolve the kinds of conflicts that arise when farmers and non-farmers live together in rural communities: conflicts over farming practices, lifestyles, land use and the environment. A manual titled *Farms, Communities and Collaboration: A Guide to Resolving Farm-Neighbor Conflict* is designed to help farmers and neighbors, regulators, local government officials, environmental advocates and interested citizens become familiar with the process of collaborative problem solving. Collaborative problem solving draws on mediation and/or facilitation skills and involves an approach to conflict that engages participants in resolving differences constructively.

Published by the Community and Rural Development Institute at Cornell University, *Farms, Communities and Collaboration* can be found at http://www.cardi.cornell.edu/cd-toolbox/agriculture_economic_development/000169.html.

Storytelling for Land Conservationists

In *The Story Handbook*, readers are presented with the power of stories and how those stories can advance the work of land conservation toward creating meaningful change in our culture. Finding the stories is easy, the contributors state. The challenge lies in using storytelling to stretch land-saving skills.

The Story Handbook: Language and Storytelling for Land Conservationists is available for \$14.95 from Chelsea Green Publishing Co., 1-800-807-6726, <http://www.chelseagreen.com>.

world wide web

Your Field Guide to Community Building

www.HeartlandFieldGuide.info

This Web site is a virtual companion to a book and CD Rom titled *Your Field Guide to Community Building* by the Heartland Center for Leadership Development. The Field Guide combines stories from practitioners from across the nation, suggestions for activities, plus a variety of resources and troubleshooting techniques for rural community developers, practitioners and volunteers.

Demographic Dimensions of Diversity

www.cas.nercrd.psu.edu/Diversity/Diversity.htm

This Web site lists basic demographic variables related to diversity that are relevant for Extension educators, discusses why the variables are important, and provides links to data sources for the different variables at different levels of geographic detail. Most of the data are also available at different points in time, allowing basic trends to be identified. Demographic Dimensions of Diversity was prepared by Stephan Goetz, director of the Northeast Regional Center for Rural Development, in part for Change Agent States for Diversity.

digest

New Patterns of Hispanic Settlement in Rural America

Since 1980, the nonmetro Hispanic population in the United States has doubled from 1.5 million to 3.2 million and is now the most rapidly growing demographic group in rural and small-town America. The pace of Hispanic population growth in nonmetro counties has surprised many demographers and challenged local officials and policy-makers.

Hispanic newcomers have forged communities in areas unaccustomed to seeing large numbers of foreign-born. Hispanics in these counties include disproportionate numbers of young men who come from rural communities in economically depressed regions of Mexico and begin migrating as single teenagers or young adults without documentation. Such recent migrants typically have relatively fewer years of formal education and often speak little English.

How Hispanics are viewed in new rural destinations depends on one's vantage point. Hispanic population growth has helped to stem decades of population decline in some states, revitalizing many rural communities with new demographic and economic vigor. In addition, recent migrant workers may fill labor market demands that otherwise might force employers to relocate domestically or internationally, or even abandon certain industries. Finally, new migrants clearly provide social and cultural diversity that introduces native residents to new cultures, languages and cuisine.

Yet many rural communities are unprepared, economically and culturally, for significant numbers of culturally distinct, low-paid newcomers who seek inexpensive housing, require distinct social services, and struggle to speak English. Residents in many rural communities have little experience with people of different backgrounds, and numerous popular reports suggest pervasive social conflict among communities that have experienced rapid influxes of Hispanic residents.

Prospects for Hispanics in rural America hinge on the same mechanisms for social and economic mobility used by earlier generations of U.S. immigrants. These include acquiring legal status, U.S. work experience, English skills, training and education, as well as overcoming discrimination and prejudice. Long-term prospects for Hispanic social and economic mobility, on the other hand, depend critically on the degree to which the educational attainments of Hispanic children match those of their peers.

Local communities and states can address some of these issues in public policies targeted toward helping new residents acquire information about basic public services, such as education, health care, transportation and U.S. laws; many states have already done so. In some cases, states have established formal programs that help new residents acclimate to their civic environment.

Excerpted from a report published in May 2004 by the Economic Research Service titled New Patterns of Hispanic Settlement in Rural America. Find the full report at <http://www.ers.usda.gov/publications/rdr99>.

conferences

Practical Models for Reducing Poverty

Grassroots and Groundwork: Practical Models for Reducing Poverty and Rebuilding Communities will be held September 12-14, 2004, at the Radisson Riverfront Hotel in St. Paul, Minnesota. People from across the United States will share poverty-reduction models from urban, rural and reservation communities. These successful, community-driven initiatives build on existing local assets and may be adapted for use in other communities. <http://www.grassrootsand-groundwork.nwaf.org/index.html>

Public Policy Education

The National Public Policy Education Conference will be held September 19-22, 2004, at the Millennium Hotel in St. Louis, Missouri. This conference will provide Extension educators and other professionals with the research-based information they need to work with citizens and stakeholder groups on issues related to agriculture, the food system and rural communities. <http://www.farmfoundation.org/nppcindex.htm>

National Extension Tourism Conference

The National Extension Tourism Conference will be held September 27-30, 2004, at the Ramada Plaza Hotel—Inn Gateway in Kissimmee, Florida. The theme is People, Places and Partnerships: Keys to Success. <http://srdc.msstate.edu/04tourism/index.html>.

Visit the NCRCRD Web site at <http://www.ncrcrd.iastate.edu> for more conference announcements.



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Vol. 27 No. 1

Building a Rural Poverty Research Agenda

The goal of a conference held in May 2004 was to bring together existing research on rural poverty in order to craft better policies. "Cultures, Governance and Rural Poverty in the Midwest: Toward a Regional Research Framework to Reduce Poverty" was hosted by the North Central Regional Center for Rural Development and the Rural Policy Research Institute's Rural Poverty Research Center.

Research presented at this conference addressed two questions:

- How does place affect poverty? How do the characteristics of a place and the capacity of a community affect poverty and other household economic and social outcomes?
- How does place mediate the effect of policy on poverty? How does living in a rural area affect the impact of social policies on poverty and other social and economic outcomes?

Participants learned a great deal about framing rural poverty research; about rural low-income families; about how civic structure and personal supports affect poverty and food security outcomes; about how community characteristics affect education, health, marital, housing and migration outcomes; and about how labor market functioning affects work, welfare and training outcomes. Participants also identified research opportunities, and discussed threats to the validity of existing research.

The conference proceedings is available at <http://www.ncrcrd.iastate.edu/poverty/index.html>. The Center is also compiling an inventory of poverty research in the Midwest that is available at this Web site under "Resources." ○

Flora Appointed to NAREEE Advisory Board

Cornelia Butler Flora has been appointed to the National Agricultural Research, Extension, Education and Economics Advisory Board. The NAREEEAB provides advice to the Secretary of Agriculture and land-grant colleges and universities on top priorities and policies for food and agricultural research, extension, education and economics. The Board is made up of 31 members, each of which represents a specific category of U.S. agricultural stakeholders, as mandated by Congress. Flora is representing national social science associations.

The NAREEEAB's main objective is to contribute to effective federal agricultural research, education and education programs through broad stakeholder feedback and sound science in its ongoing role as advisor to the Secretary of Agriculture. The Advisory Board also consults with appropriate agricultural committees of the U.S. Congress.

More information on the NAREEEAB is available at <http://www.nareeeab.com>. ○