

# Discussion: Human Capital and Rural Economic Development

**Alan Barefield**

One of the most critical elements of a nation's social infrastructure is its system of education. Concerns with accessibility, achievement, and choice are significant elements in determining the quality of life for all communities, but most especially for rural communities where resources, and in many cases, opportunities, are perceived to be less plentiful than for their urban and suburban counterparts.

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**JEL Classifications:** I21, R11

In the best selling book "Freakonomics," Levitt and Dubner (2005, p.13) postulates that economics is a science of measurement that represents how the world works. This work also, if sales numbers are any indication, opened many persons' eyes to the fact that economics is more than just "jobs and real estate and banking and investment."

The invited papers exemplify this line of thinking. Rather than focusing on the more typical economics topics of school budgets and financial reform, they do an excellent job in examining much more difficult (read "interesting") topics such as early education participation gaps, effects of educational inputs on human capital, and the question of whether rural community colleges supply unique educational benefits in what is our nation's most important social infrastructure.

## Early Education Gaps

Until fairly recently, the importance of pre-kindergarten education has been mostly dis-

regarded by the general public. And while this importance has been recognized and state-level policies to mitigate the lack of public-sponsored programs have been implemented, rural children are at a distinct disadvantage in participating in these programs.

As demonstrated in the paper, there are a variety of reasons that parents may not elect for the children to participate in these types of programs as opposed to home or parental care. Maternal circumstances seem to be a major factor in this decision, but there are several mitigating factors outlined by the author. These factors, as policy makers and community leaders are beginning to understand, contain tremendous implications for the economic future of the community. Alleviation of these factors could serve to increase the readiness of students for primary, secondary, and higher education that is presumed to increase the quality of life in the community through higher earnings, lower incidence of crime, and other social problems, etc.

It is also noted that while an increasing number of states are implementing early education programs, there is a concern about what

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may be a high variance in the quality of the institutions being established. It will be well worth watching to see how these new programs affect communities in the states in which they are being implemented.

The paper brings forth several additional policy questions that should be explored. First, given the evidence of formal preschool education as an effective governmental investment strategy, why are more states not implementing this type of program? Second, how do individual states and school district programs achieve baseline education quality standards and how can these standards be effectively developed and implemented? Finally, how can these types of programs be implemented in rural areas so that the education accessibility gap between rural and urban geographies does not continue to widen.

### **Causal Factors of Disciplinary Referrals**

The Jordan and Anil paper deals with a topic that is, to be frank, very disturbing to the reader. While it is likely well accepted that the number of disciplinary actions taken against a student, particularly in the formative middle school years, is a likely predictor of that student's decision to stay in school and that this decision has a profound and almost immediate impact on society, the public is typically reticent to believe that this discipline is applied disproportionately (unfairly?) due to race and gender interactions.

And, to some extent, the analysis supports these general feelings. While several factors included in the model are significant and indicated being critical in the decisions of teachers assigning disciplinary referrals, the only demonstrated significant race/gender interactions are that black female teachers are more likely to issue disciplinary referrals over all models and that black male teachers were more likely to refer black students (although this factor is insignificant when analysis was performed on individual schools).

However, this paper does raise several interesting questions, particularly when taken in conjunction with the cited Castillo et al. (2008) study. First, does performance in specific subject matter areas influence the level of

disciplinary referrals? For example, are students who perform poorly on standardized reading tests more likely to receive disciplinary referrals than students who perform poorly on standardized mathematics tests?

Second, what can be inferred from the insignificance of students being enrolled in special education classes on disciplinary referrals? If we assume that this lack of significance infers (or even suggests) that students with a learning challenge are no more likely to be referred than students without this type of challenge, then what does that infer about the type of classroom setting that special education students experience (particularly with regard to the high significance of gifted students being less likely to experience referrals).

Finally, if one accepts the inference that the factors included in the model are indeed plausible causal factors for the number of disciplinary referrals that a student receives, then an extension of this analysis would be to examine the determinants of this model's exogenous factors, particularly the number of absences and the differences in the overall settings of School 4, Schools 1 and 3, and School 2. It would seem that policy decisions, whether on a local or state level that would address these factors would conceivably begin to address more of the root of the problem of high school dropouts than would policies that are solely concerned with the issuance of disciplinary referrals.

### **Uniqueness of Rural Community Colleges**

Katsinas (2007) postulated that rural community colleges are the land-grants of the 21<sup>st</sup> century by suggesting that these institutions have become the people's choice of higher education opportunities, whether in an academic or a workforce development sense. But the questions that Mykerezi, Kostandini, and Mills point out is the affect that these institutions have on the higher education potential and aspirations of their students—namely whether rural community colleges offer an opportunity to higher education for persons who would not otherwise attend postsecondary institutions or whether students become “satisfied” with a lower level of education than they would

have been if they had initially enrolled in a four-year institution. The paper is unique in two regards. First, it focuses on the effect of rural community colleges on their students (the majority of whom are assumed to be residents of a rural geography). Second, it utilizes a set of spatial indicators to predict the individuals' selection of an initial institution of higher education.

This paper is valuable in that it finds that the democratization effect of rural community colleges (providing higher education to those who would not otherwise have sought it) outweighs the diversion effect (limiting students to a 2-year rather than a 4-year degree). In this case, it does support the premise that rural community colleges are significant enhancements of the nation's social and economic infrastructure. Further enhancements of this study would involve applying the same techniques to students who chose a workforce development route rather than an academic track. The logic behind this extension is that many talented students who would do well with academic degrees opt for the lower educational level due to the same parameters utilized in this study.

## Conclusions

Taken together, these papers are an extraordinary collection that examines significant issues over the critical areas of the public education cycle. The authors bring forth the issues that have critical influence not only for an individual, but also on the future economic and social well-being of communities, particularly those located in rural areas. While the extensions to the research presented in this collection will be important and meaningful, the contribution that each paper makes to the literature is significant.

## References

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