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Calvin L. Beale

Americans Heading for the Cities, Once Again

Population growth in rural and smalltown areas slowed greatly in the 1980's, especially in 1983-86. With rural areas beset by the farm crisis, employment cutbacks in major industries, and a slow recovery from national recession, fewer people were moving to the country and more rural people were moving to the cities looking for work. More than half of all nonmetro counties declined in population from 1983-86. But, some indicators suggest that the worst may now be over.

After 1980, the exceptional rural and smalltown growth of the previous decade ended. The 1980-83 nonmetro population increase (0.83 percent per year) was once again less than the annual metro rate (1.10 percent), and the number of nonmetro counties with population decline had risen to 720, more than half again as high as the 1970's low. Yet, the 1980-83 numbers still looked good compared with the 1950's and 1960's. Only in contrast with the 1970's did they show less growth. More nonmetro counties were still growing at above national average rates than declining, especially in the West and in the Southern Plains.

From 1983-86, however, nonmetro ability to retain or attract people rapidly deteriorated, despite the ongoing economic recovery in the national economy. In this period, the nonmetro population increase dropped to 0.42 percent per year, only half as high as the 1980-83 rate. Annual metro growth rose slightly, to 1.12 percent (fig. 1). The very low growth of nonmetro population from

1983-86 is the most striking feature of post-1980 trends.

In assessing post-1980 nonmetro population trends, I looked not only at the aggregate growth patterns, but also at individual types of counties and at growth in the early 1980's versus growth in the middle 1980's. In sum, 1,306 nonmetro counties (55 percent) lost residents between 1983 and 1986. The average loss per county was not large, but the incidence of loss was as widespread as when farm consolidation was at its peak in the 1960's (when 53 percent of the nonmetro counties lost population) and the 1950's (54 percent).

There are two bright spots in the nonmetro trend. Retirement counties still continue to attract new residents, not just older people but the younger workers,

too, who provide services and goods to the retired population. These counties annually grew by more than 1.78 percent from 1980-86, nearly double the national rate. Nonmetro counties with a fourth or more of their residents commuting to jobs within the metro area grew by 1.13 percent per year in 1980-86. That's a little bit faster than the national growth rate although a sharp comedown from their 1.92-percent annual growth in the 1970's.

Population Change Linked to Industrial Trends

Population decline in the 1970's was chiefly confined to farming areas in the Great Plains, western Corn Belt, and Mississippi Delta. From 1980-83, the losses in the Plains were less than in the 1970's, stemming at least in part from oil and gas activity and probably also from the later arrival of the farm crisis into the wheat and range livestock areas than in the Corn Belt (see maps). Declines became much more common in the Corn Belt during the early 1980's, however, especially in the eastern part where farming often coexists with older manufacturing industries that were hard hit by the recession. Scattered losers

Photo © by Ken Murray



One of the few sure routes to rural growth in the mid-1980's was to have good commuting links to a large city.

Calvin Beale is a senior demographer with the Agriculture and Rural Economy Division, ERS.

appeared in the West, usually linked to cutbacks in mining or timberwork. Elsewhere, many new small clusters of decline appeared in the lower South, the Ohio Valley, the central Appalachians, and in Michigan. But, although decline was more common than it had been, population change in 1980-83 was still characterized by vast nonmetro areas with growth more rapid than that of the Nation as a whole. This was particularly true in the West, Oklahoma, Texas, and Florida, all areas that had grown rapidly in the 1970's.

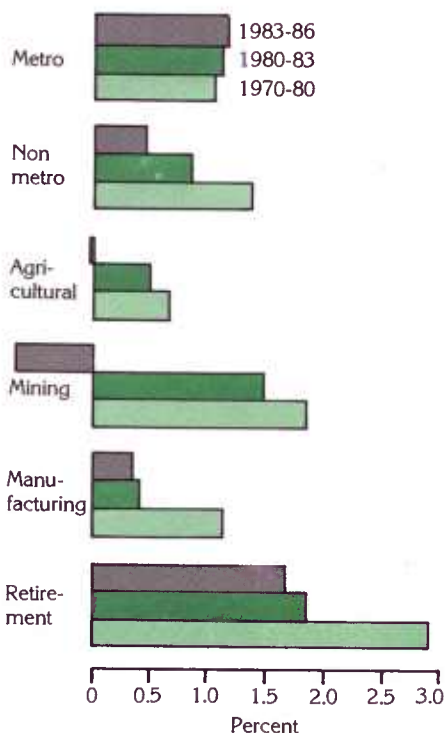
After mid-1983, nonmetro counties with any growth at all were a rarity throughout the Great Plains, Corn Belt, and central and northern Appalachia. In Iowa, the quintessential farm State, 84 of 88 nonmetro counties lost population from 1983-86, as outmovement more than offset any excess of births over deaths. Losses were also common in the lower South and penetrated some western regions where rapid growth had come to seem normal, such as eastern Utah and western Colorado.

In attempting to understand these changes, we should look at trends in different types of areas. Mining counties, in particular, shifted from growth to decline in 1983-86. Whereas mining counties had an overall increase of 1.47 percent per year from 1980-83, which was higher than national growth, they annually lost 0.67 percent in population during the next 3 years. Total U.S. workers in oil and gas extraction rose by 13 percent from 1980-83, but fell by 26 percent from July 1983 through June 1986, as world oil prices dropped. Employment in coal mining and metallic minerals also fell in 1983-86.

Agricultural employment responded only belatedly to the farm crisis. After holding steady in 1980-83, it dropped by 200,000 jobs in 1983-86. What seems to have happened was that people needed several poor years in a row before they became discouraged enough to leave. Despite a drop in net farm income in 1980 of more than 48 percent from the previous year (inflation-adjusted), only in 1982, after 2 more years of low farm income, did farm real estate values began to plunge. From 1983-86, the average value per acre of farmland dropped by about a fourth, after rising slightly from 1980-83.

Figure 1

Agricultural and mining counties show no population growth since 1983; retirement counties continue above-average growth



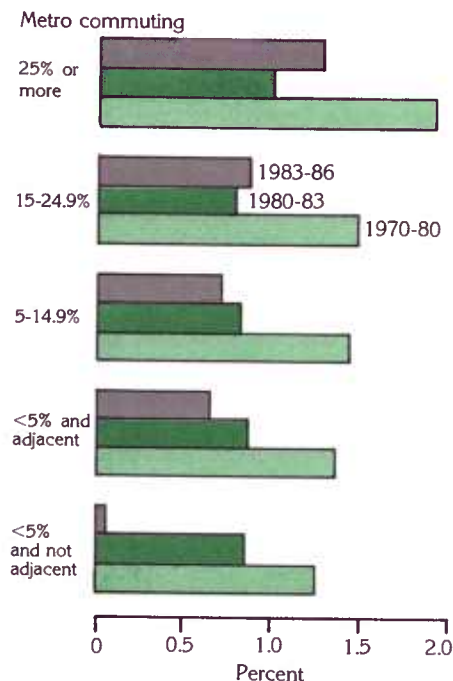
Annual rates of population change.

An extraordinary infusion of Federal price-support loans and payments to producers propped up farm income in the middle part of the decade. Farmers used much of their income to reduce debt, however, rather than spend it for consumer or producer needs. Farmers cut their debt (both real estate and other) by \$39 billion (19 percent) from 1980-86, an amount larger than the direct Government payments they received. They also reduced their cash expenditures by \$16 billion (14 percent) from 1984-86. Those measures helped raise their incomes but had a depressing effect on business in farm towns. The total number of people employed in agricultural counties did not grow at all during 1983-86. As a result, there was a slight (0.02 percent per year) population loss from 1983-86 in farm-dependent nonmetro counties, after an annual growth rate of 0.5 percent from 1980-83. Three-fourths of these counties lost population from 1983-86. Those with small urban centers were more likely to hold onto their population.

Nonmetro manufacturing counties are not more numerous than agricultural

Figure 2

Stagnant growth for nonmetro counties that are not adjacent to metro areas and have little commuting to metro jobs



Annual rate of population change.

counties, but they are much more densely settled and contain about two-fifths of the entire nonmetro population. They have an average population of 33,000 compared with just 11,000 for agricultural counties, and thus are more urbanized and have larger labor markets. Manufacturing counties, therefore, are more stable and less likely than agricultural counties to have rapid rates of population change, either growth or loss.

Manufacturing was a major source of rural job growth and diversification in the 1960's and 1970's. The recession of 1980-83, however, was chiefly a goods-producing recession, with national employment in manufacturing falling by 11 percent from its 1979 high to 1982. Total employment in nonmetro manufacturing counties dropped by 4.4 percent in the same period, a greater loss than in any other type of county. Manufacturing employment began to recover in the spring of 1983, but by spring of 1985 was sagging again (and has never reattained its 1979 level). Construction, trade, and service activity, meanwhile, continued to move ahead. Recovery and expansion in these other sectors were enough to push up total employment in manufacturing counties

by 7 percent from 1982-86. Even so, annual population growth was somewhat slower in these counties in 1983-86 than in 1980-83 (0.32 versus 0.4 percent), although the 1983-86 sag was less than in any other class of nonmetro county. Population growth in manufacturing counties for 1983-86 was only about five-eighths as large as the excess of births over deaths, implying an outmigration of about 100,000 people.

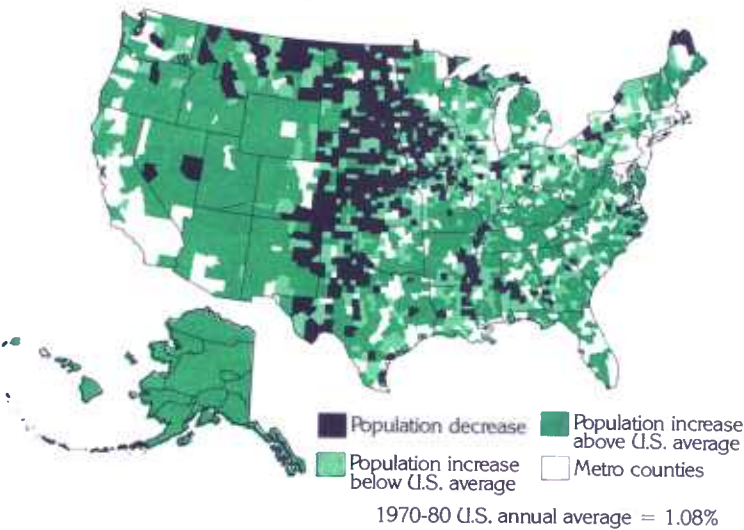
Nonmetro Retirement Counties Continue to Attract New Residents

Offsetting this pattern of slow growth or population loss in areas dependent on farming, mining, or manufacturing was the growth of rural retirement areas. Nearly 500 nonmetro counties in 44 States drew in significant numbers of older people in the 1970's. Concentrated in Florida, the upper Great Lakes, the Ozark-Ouachita area, Texas, the Southwest, and the far West, these counties were the most rapidly growing class of nonmetro county during the "rural turnaround" years of the 1970's and have continued to be so since 1980. Population in these areas grew by 1.78 percent per year from 1980-86, far above the 1-percent nationwide rate.

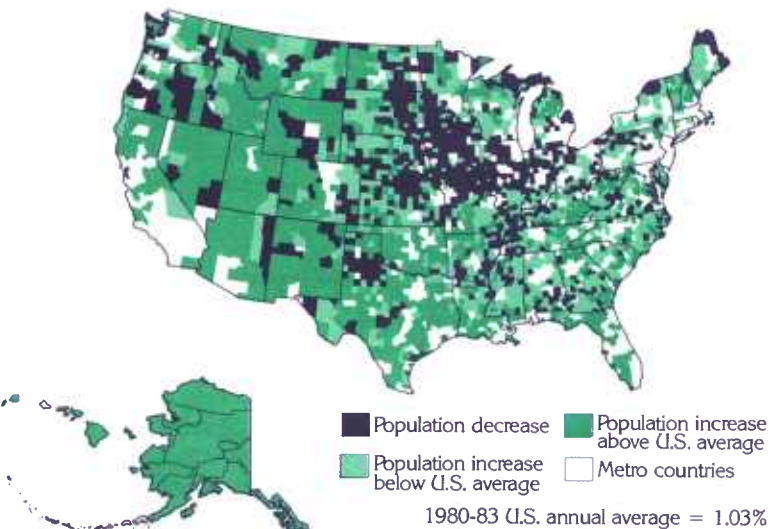
Given the older average age of the population in retirement counties, such growth can be achieved only through substantial immigration, for the birth rate is somewhat low and the death rate somewhat high. From 1980-86, there was an estimated net migration of nearly a million people into nonmetro retirement counties. Not all of them were older people. Many retirement areas also offer recreational and other natural amenities that attract younger residents. Furthermore, a large population of older people creates a demand for trade and service jobs filled by younger people, people of working age.

Retirement counties were probably the least affected by the recession because the income of a large segment of their population was shielded from unemployment, wage cuts, or other hardships of the business slump. Even though some retirement counties are also agricultural, manufacturing, or urbanizing areas, all of which were in some way affected by the recession, most retirement counties experienced a smaller drop in

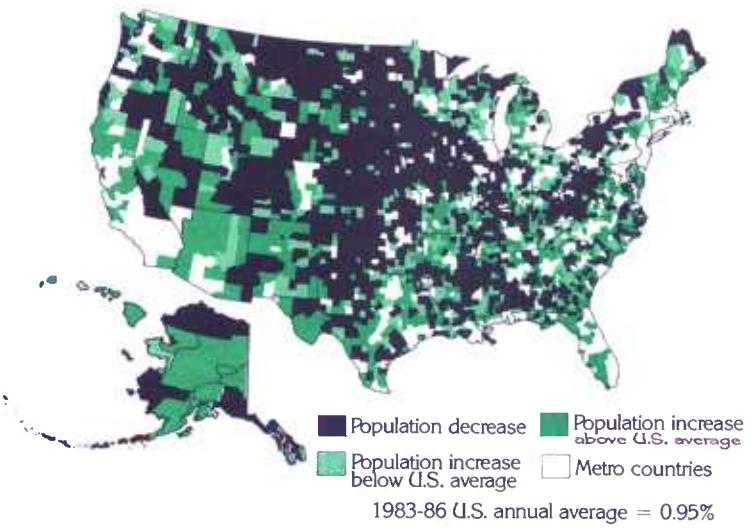
Nonmetro population change, 1970-80



Nonmetro population change, 1980-83



Nonmetro population change, 1983-86



their population growth in the 1980's than other types of counties.

The annual growth rate in retirement counties was 38 percent lower in 1980-86 than it had been during the 1970's, while other nonmetro counties' annual growth rate was 67 percent lower than in the 1970's. A closer look shows that the slowdown was about the same in retirement counties and other nonmetro areas in 1980-83. In those years, both types of counties grew around three-fifths as rapidly per year as they had in the 1970's. However, from 1983-86, population growth sank to nearly zero outside of retirement areas, as losses spread in mining and farming areas. Growth in the retirement counties, however, remained near its 1980-83 pace.

Thus, the picture is mixed. The growth slowdown for retirement areas was about the same as for other areas in the first 3 years of the decade, but from 1983-86, retirement counties were much more successful in maintaining growth than were other nonmetro counties.

Commuting Brings Growth, but Not as Much as Before

Another factor often associated with the growth and development of nonmetro counties is proximity to metro areas. Rural communities have a better chance of retaining their population or attracting new residents if they are within commuting range of metro jobs. Consequently, counties adjacent to metro areas have typically had somewhat more rapid population growth than those not adjacent. This was not the case, however, from 1980-83, when both adjacent and nonadjacent counties had similar rates of change. In that period, many northern nonmetro counties next to metro areas containing industrial cities of 20,000 people or more were hurt just as much by the business recession as their metro neighbors and lost population.

On the other hand, many remote counties in the Great Plains and West still retained the growth they acquired during the energy boom of the early 1980's. After 1983, however, that boom's collapse and the worsening farm crisis led to outmigration from many small remote nonmetro counties, while northern industrial centers experienced some

recovery. As a result, nonmetro counties adjacent to metro areas resumed their usual pattern of higher population growth rates than nonadjacent counties.

Although metro adjacency is a commonly used characteristic in nonmetro research, it is only an approximate measure of metro access. Some nonmetro counties have only a nominal and distant adjacency to a broadly bounded metro area, whereas others may lie much closer to a central city. For example, in the Southwest, central-city counties often contain several thousand square miles or more, whereas in parts of the East and South they have fewer than 400 square miles. Or, despite adjacency, highway connections to the central city may be poor in one case and excellent in another.

The worker commuting rate is a good measure of whether a county is meaningfully adjacent to a metro center. As might be expected, nonmetro counties with a substantial percentage of workers commuting to adjacent metro areas have somewhat higher rates of population increase than those with less commuting. At any given time, some of these high-commuting counties are incipiently suburban, and will gradually become metro counties through settlement sprawl if the nearby metro areas continue to grow.

There are more than 100 nonmetro counties from which 25 percent or more of the employed residents commuted to adjacent metro central counties in 1980. Population in these commuter counties rose by 1.13 percent annually from 1980-86, faster than the national average and slightly above the metro rate. Adjacent counties with less than 25 percent of metro commuting averaged 0.77 percent annual population growth, whether the commuting rate was at the 15-24 percent level or less than 5 percent. Even low-commuting adjacent counties grew faster than nonadjacent ones with less than 5 percent metro commuting. Those nonadjacent counties saw their population growth shrink to only 0.46 percent per year, with practically no growth at all in 1983-86. In those years, the combined effects of adjacency and commuting were more evident and important. High-commuting counties grew twice as fast as adjacent low-commuting counties, which in turn grew faster than the nearly zero growth rate of the nonadjacent counties.

One point of interest: nonmetro counties of every commuting level have grown more slowly in the 1980's than in the 1970's. Even though the U.S. metropolitan population has grown slightly faster in the 1980's than in the 1970's, this has not prevented the adjacent nonmetro counties with high commuting links from undergoing a major slowdown in their average growth rates. Whether that arises from a diminished vitality in their local economies or a lessening of long-range metro sprawl, they are acquiring additional residents at a slower pace than the metro areas, in contrast to the trend of the 1970's.

Lower Birth Rate Another Factor In Slower Growth

Lower birth rates also make nonmetro areas more susceptible today to population decline. During both the 1950's and 1960's, the nonmetro birth rate was considerably higher than the more recent rate. It averaged more than 20 per 1,000 people during the 1960's with a death rate of less than 10 per 1,000, leaving a potential annual population increase of more than 1 percent. Thus, net outmigration from a typical nonmetro area had to exceed 1 percent per year before the population fell.

Since then, childbearing has declined significantly. The nonmetro birth rate averaged only 15.6 per 1,000 people in 1980-86, a drop of approximately a fourth since the 1960's, while the death rate has remained about the same, at 9.6 per 1,000. Gains in life expectancy were counterbalanced by the increased average age of nonmetro people, which was partly the product of an influx of retirees. This left a yearly average of just 0.6 percent from births minus deaths which would be offset by any net outmigration rate of more than that amount. As a result, many counties and some entire States with only moderate outmigration rates had a slow decline in population from 1980-86. If they had the higher birth rates of the 1960's, these areas would have grown. Altogether, some 1,517 nonmetro counties, or 64 percent of the total, had a net outmovement of people from 1980-86. In 555 of these cases, the excess of births over deaths was large enough to offset the migration loss. But, in all others, the natural increase was too small to do so and the population fell.

Regional Contrasts in Migration

Events of 1980-86 precipitated a net outmigration of 600,000 people from the nonmetro Midwest, with Iowa having the largest exodus, 103,000. An almost equal number, 570,000, however, moved into the rural and smalltown parts of Florida, Texas, California, and Arizona. Within the period, major shifts in the regional trend took place. The Mountain West (exclusive of Arizona) experienced a net inmovement of 103,000 in 1980-83, but lost a net of 87,000 in 1983-86. In the three oil States of Louisiana, Oklahoma, and Texas, a nonmetro net inmovement of 263,000 people in 1980-83, reversed to a 75,000 outflow in 1983-86. Nonmetro America as a whole still had a small net gain of 100,00 people from inmovement from 1980-86, despite the adverse trends of 1983-86. Metro areas received 4 million net inmovement over the same years. Both types of areas can have gains because of immigration from abroad. Despite the well-known use of immigrants especially Mexicans, as farmworkers, most immigrants settle in and around large cities.

Wary Optimism

The worst may be over for nonmetro areas in terms of loss of population associated with the poor economic conditions of the early and mid-1980's. Farm income reached an alltime high in 1987, albeit heavily supported by Government subsidies, and the 1988 level of income is expected to be second only to that of 1987. With the debt burden reduced, farmers' net worth has stabilized. The farm export market has improved and surpluses of major commodities have been reduced. These positive factors do not presage an increase in the farm population, for there is no need for additional farmers. But, if the improved conditions are sustained, they should lead to resumed local investment and spending, and greater retention of population in farm counties. Unemployment rates have dropped significantly in nonmetro areas since mid-1987, although they are still well above metro rates, especially when one accounts for part-time workers and discouraged workers (those who want work but are not actively looking for it). The decline in mining and manufacturing

Where Do People Want To Live?

Residential preference surveys began to appear in the middle 1960's and yielded some surprising information. In an overwhelmingly urban nation, at a time when people were moving to the cities, a majority of those polled said they would prefer to live in a rural area or small town. If asked where they would like this place to be, most said they would prefer it to be within 30 miles of a large city. But an even more remote location was likely to be the second choice for such people rather than the city. Such preferences obviously provided motivation and philosophical support for the sizable move in the 1970's toward the countryside and its small towns. It was common in rural surveys during that decade to find large numbers of newcomers who had sacrificed urban income to move to smaller communities in hopes of finding a better quality of life.

An obvious question for the 1980's, when nonmetro growth has dwindled, is "Have residential preferences changed?" Is there something more than economic problems that has brought about the recent nonmetro demographic stagnation? The Gallup organization has continued to take occasional polls of the subject. The results are mixed.

In surveys using the categories "city," "suburban," "small town," and "farm," there was an increase from 13-19 percent between 1972 and 1983 in people who said they preferred to live in a city, but there was no drop in the percentage who wanted to live in a small town or on a farm. The offsetting loss came from the suburban category.

	1972	1983
City	13%	19%
Suburban	31	23
Small town	32	31
Farm	23	26

In other years, the Gallup Poll used different terms. Using the concepts "large city," "small city," "town or village," and "rural area," Gallup found a definite trend toward greater preference for large cities between 1978 and 1985 (from 14-23 percent), with a reduced inclination for rural areas (from 32-25 percent). There was no loss of support for town or village living.

	1978	1981	1985
Large city	14%	18%	23%
Small city	32	28	29
Town or village	20	20	23
Rural area	32	34	25

The two series of polls are consistent in the increased preference for the "city" and "large city" locations, but give inconsistent results for "farm" and "rural area." These two terms are not synonymous, but it is difficult to accept the validity of an increasing farm preference without a corresponding rise in rural preference, especially during a farm crisis.

Two points seem to be conclusive from the surveys. The cities have come to be viewed more favorably in the 1980's, thus probably reducing the likelihood of city-to-rural moves. Nevertheless, whichever survey one uses, there are still millions of Americans not presently living in a small town, village, farm, or other rural area who say they would prefer to do so. If and when nonmetro economic conditions rebound, we may see another burst of rural growth.

employment has ended. Under these circumstances, there may be no further drop after 1987 in the overall nonmetro population growth rate or spread in the occurrence of outright decline.

In any event, the demographic trend in rural and smalltown communities in the 1980's has proved to be as unexpectedly different from that of the 1970's as that

decade was different from the 1960's. We learned in the 1970's that there are indeed conditions under which small-scale areas can retain their natural increase and also attract new residents. But, we see now that major recessions in production industries can still have widespread and disproportionate effects on the population-supporting capacity of nonmetro counties. **RDP**