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POPULATION CHANGES IN RURAL AMERICA RELEVANT TO RURAL DEVELOPMENT

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Introduction

Rural population--as the Census Bureau defines it--is the population living in the open country or in places of less than 2,500 people that are beyond the suburbs of urbanized areas of 50,000 or more people. "Rural" includes anything from, say, the 746 (and declining) population of Slope County, North Dakota, to the 144,000 officially rural residents of Worcester County, Massachusetts--a metropolitan county that happens to have the largest rural population of all. The rurality of a Slope County is extreme and incontestable, but the upper limits of rurality are not discrete and can only be subjectively agreed on. By the Census Bureau's definition, 59.1 million people were rural in the U.S. in 2000.

If one uses nonmetropolitan as rural--that is any location that is not in a county with an urbanized area of 50,000 people or in its primary commuting zone --then only 49 million people are rural, the smallest total of any current "rural" definition. This concept is used in much research and for certain program purposes.

But slightly more than half of all of the Census Bureau's rural population is found in the outer parts of metro areas and is both accessible to metro jobs and services and affected by the inevitable sprawl of suburban development. People can be part of a metro area, but still be authentically rural.

The largest program concept of rural is that of USDA's business assistance programs, in which--under current legislation-- all territory is eligible that is rural by census definition, plus that which is in urbanized areas that have no single city of 50,000 people. This concept embraces 102 million people, more than double that where only nonmetro locations are eligible.

In our research on population trends during intercensal years, we only have county estimates to work with. Thus, we can't use either the Census Bureau's rural concept or the more inclusive business assistance program concept to measure trends within decades. Instead we typically use nonmetro county data as our best alternative, as I will do now.

Nonmetro Population Growth Turns Downward

The pattern of greater retention and growth of population found in nonmetro America in the 1990s did not continue during 2000 to 2003, when nonmetro population rose by just 1.2 percent. This was less than 2/5ths as high--on an annualized basis--as the pace of nonmetro growth in the 1990's. Over half of the growth came from excess of births over deaths, with most of the rest provided by immigration (208,000). There was a very modest net inmovement of people from U.S. metro areas (51,000).

But as usual, in a nation as large as ours, there were wide variations in nonmetro change by region and types of counties. Between 2000 and 2003, 1,075 nonmetro counties are estimated to have declined in population. (See map). This is over half of all nonmetro counties and far more than the 593 that lost population in the 1990s. For the most part, the newly declining counties are in and around the large agriculture-dependent regions of the Great Plains and Corn Belt where most of the losing counties of the 1990s were. But they also include Appalachian mining areas and a number of Southern counties that have relied heavily on manufacturing. Because net outmovement of people usually stems from economic necessity, it is fair to think of almost all of these declining counties as in need of job development.

#### Natural Decrease More Common Than Before

For a generation now, the U.S. has had many counties in which deaths outnumber births ("natural decrease"). (See map). Some of these counties are simply long-standing retirement areas. If retirees move into an area, deaths will soon increase. But, the natural decrease pattern is most common in agriculturally-dependent areas that have long lost farm population. In these counties, young people in particular have moved elsewhere in such numbers for so long that the proportion of people of childbearing age is low. Simultaneously, the average number of children born per rural family has fallen to a level more like that of urban people. The areas most affected by these changes are those in the Plains and the Corn Belt where the fewest job alternatives to farm work have been created.

Most ominous is the situation of the 496 nonmetro counties that have been declining in population since 2000 from both natural decrease and people moving away. (See map). The most common type of these counties is thinly settled farm counties with less than 10,000 population each. But, there are now other cases in much larger Eastern counties containing cities where prolonged industrial and mining decline has led to the same result. It will be particularly difficult for the areas with both net outmigration and more deaths than births to stabilize their population level unless they manage to attract substantial additional employment. In North Dakota and West Virginia, the total nonmetro population now has both natural decrease and net outmigration at the state level.

## Other Areas Continue to Grow

In contrast, there were 269 nonmetro counties where the population rose from 2000-2003 at a pace above the overall national growth rate of 3.3 percent. Many of these counties are adjacent to medium- or large-sized metro areas and are beginning to be drawn into the outer rim of metro sprawl. They are typically on a growth trajectory that--for better or worse--they could not turn off now if they wanted to. Other growing areas are recreation or retirement counties (or both) and have natural amenities of lakes, shoreline, scenery, or climate that attract people. The Recreation and/or Retirement counties are the fastest growing nonmetro counties of all. In addition, some nonmetro counties here and there have grown from independent industrial or business development not related to amenities or metro proximity. The program assistance needs of all the rapid growers are most often likely to be in the area of growth-driven infrastructure to provide services for burgeoning population, rather than job development.

In between the declining and rapidly growing counties that I have described are many rural and small-town counties with modest increases in population and little net migration or natural increase. In short, today, and for many years now, there is great diversity in nonmetropolitan population trends. The outlook varies widely from one type of setting to another.

By State, the largest absolute increases in nonmetro population were in the Southeast, where North Carolina, Florida, and Georgia each had over 50,000 growth from 2000-2003, with no other States close to this amount. One factor contributing to their growth was that they ranked second through fourth in number of foreign immigrants locating in nonmetro areas, especially Latinos. The largest nonmetro declines during the decade, ranging from 13,000 to 20,000 persons per State, all came in the Farm Belt--Kansas (highest), Iowa, Illinois, and North Dakota.

## Lack of Clear Link to National Economic Trends

There was no discernable economic trend from April 2000 to July 2003 (the period under review) to account for the disproportionate slowdown in nonmetro population growth during that time. Although unemployment was up nationally, it rose fastest in metro areas. Likewise the growth in people who could only get part-time work was greatest in metro areas. In small towns, there were segments of old-line manufacturing work that were badly hit by closures, especially textile firms. (And this is still going on). But metro areas, were heavily affected by job layoffs, too, stemming from the sharp shakeout in e-based and other "new economy" firms.

So I do not have an explanation for the reduced nonmetro growth nationally, although to some extent it reflects a drop-off that began back in the late 1990s. One fact that has been clear for a number of years is that where people have moved into rural and

small town areas much of this has been motivated by noneconomic reasons, involving people who are not seeking to maximize their incomes. Many Great Plains and Corn-Belt farm dependent communities with diminishing employment lack the types of natural conditions that most attract people from elsewhere--such as warm winters or temperate summers, topographic variation, or water areas, increasing the difficulty of stabilizing the population.

With manufacturing employment less available than in the past, one of the most common sources of new nonmetro jobs has been call centers of one kind or another. They may involve telemarketing, credit card operations, motel reservations, claims processing, or be customer service help line centers, catalog sales fulfillment centers, or magazine subscription offices. But hardly has this growth become widely established than foreign out-sourcing of such work has begun.

In sum, nonmetro America grew in population after 2000 at a slower overall pace than in the 1990s. Declines were commonplace in certain types of counties. Yet other rural and small town counties have been increasing steadily in population, sometimes from conventional business and industry growth, but especially where commuting to employment is feasible or where recreational visitors and new residents are drawn by local amenities.