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ROLE OF EXTENSION IN ECONOMIC DEVELOPMENT

Rusty Brooks

This paper delineates the goals and constraints related to economic development in Georgia, and the role of the Georgia Cooperative Extension Service in promoting economic development. The focus is on "rural" and economically depressed areas but not at the exclusion of urban areas that need assistance in economic development. Georgia's economy is broad based with national and international linkages, and these linkages reach into every county political unit.

Economic prosperity in Georgia during the 1980s was unequally distributed across the State. Declining value of farmland and net farm income depressed the economy in much of rural Georgia. Economic decline in traditional manufacturing industries, especially apparel and textile, also contributed to economic stagnation in industries in both the rural and urban economy. These forces combined to create an almost irreparable drain on the economic vitality of much of Georgia.

These and other developments during the 1980s place some areas of Georgia in a disadvantaged economic and social position relative to the more prosperous areas of the state. In many communities, obstacles to successful economic development are deficiencies in the infrastructure including roads, bridges, and water and sewer lines which are deteriorating and in some cases beyond safe use. Outmigration of people, businesses, and industries from Georgia towns slowed the growth of public revenues for local governments to support community services and facilities. The people who are leaving economically depressed sections of Georgia for better opportunities in Atlanta, Macon, or other cities in the State and elsewhere are important components of community human capital. Especially youth are leaving small town Georgia as they see their economic and social future elsewhere.

Recent research provides a useful framework for delineating rural and urban counties in the state (1). Rural counties were defined as having more than 50% of the population classified as rural. Urban counties were defined as having more than 50% of the population classified as urban. Given these definitions, 129 of the 159 counties in Georgia were classified as rural and 30 counties were classified as urban. Of the 30

urban counties, 14 were in north Georgia and 16 in south Georgia. Of the 129 rural counties, 69 were in south Georgia and 60 were in north Georgia. The State cannot be easily divided into a rural south Georgia and an urban north Georgia -- one declining and one prospering. The need for economic development transcends these simple geographic boundaries.

The question of who needs assistance in economic development is not simply one of south Georgia versus north Georgia or rural versus urban. Assumptions that all rural areas are in economic decline and all urban areas are experiencing good economic times flies in the face of reality. The future growth of Georgia requires economic development that considers differences yet recognizes the interdependency of all economic sectors and geographic sections of the state.

EXTENSION APPROACH TO ECONOMIC DEVELOPMENT

Economic Development Goals

Economic development initiatives can help community leaders address the positive economic forces in their economy and help them benefit from these positive forces. Beth Walter Honadle, in testimony before a congressional subcommittee, defined the goal of economic development to be increasing employment, income and government revenue while maintaining a high quality of life in the community (2). This implies a goal not only of more jobs but also better paying jobs, clean air and water, open spaces, good schools, and other amenities that make life attractive to both current residents and potential businesses. Extension economic development programs to accomplish these goals include: 1) creating off-farm employment opportunities; 2) helping local businesses capture local dollars and keep them circulating within the community; 3) developing markets for locally produced goods and services; 4) aiding communities in retaining existing businesses and industries and expanding their size; and, 5) promoting and supporting local entrepreneurs. The economic hardtimes of the early 1980s for some communities and industries in Georgia and the farm crisis accelerated discussions and efforts with Extension to develop an expanded economic development education program.

Extension's Role in Economic Development

Writing in the Journal of Extension, Bruce Weber clearly outlines four roles Extension has in economic development education (3). The first role is that of providing perspective to local leaders. What are the social and economic changes affecting a community and what decisions will impact them and in what manner? Extension can provide information on trends in income, employment, poverty, unemployment, labor force participation and other economic and social statistics and make comparisons with those of the region and nation. More importantly, Extension can help insure that community leaders ask "the right questions." Extension should be one step ahead of local leadership in anticipating issues and probable outcomes.

The second role Weber outlines for Extension is to increase the knowledge base for community decisions. Extension has a long history of teaching citizens to identify options and the impacts of alternative decisions on those options.

The third role for Extension in economic development education is teaching management skills. The best way Extension can accomplish this is through leadership training, helping those who have an interest in economic development to obtain the necessary skills to achieve community goals.

Weber's fourth role for Extension is to assist communities in shaping their institutional structures affecting economic development. Extension can and should be a source for innovative institutional ideas as well as a means for the analysis that shapes new institutional structures.

These roles provide the framework for economic development education efforts in Georgia. In many respects, Extension may best be able to respond to the economic development needs of many areas of the state. Why is Extension in an advantageous position to provide economic development education to these economically depressed areas?

The most obvious reason is Extension's accessibility. With professional staff in every county in the State, Extension is the only educational and governmental agency with such a network in Georgia. The County staff gives Extension credibility with local leaders and other clients, and the ability and flexibility to respond to local needs. Extension also has linkages with other organizations, including local chambers of commerce, area development commissions, vocational-technical schools, and other service units in The University System of Georgia. Extension has the capacity to develop coordination among these organizations for concerted economic development efforts. Perhaps most important is Extension's access to Land Grant and other research-based subject matter expertise, and the educational

technology and reputation for objectivity in carrying out an effective economic development program.

Traditionally, Georgia's economic development programs in Extension were housed within the community and rural development program area. This included educational programs in such areas as small business management, retail sales and marketing and downtown revitalization.

However, the other program areas within Extension also have important roles to play in economic development. Home economics carries out relevant programs in such topics as starting and managing home-based businesses, and the production and marketing of crafts. Four-H is involved in various high school business programs that provide training for youth contemplating a business career. Four-H and Home Economics also provide educational programs on family stability, child development, teenage pregnancy and other socioeconomic issues related to community economic development. Agriculture and natural resources play a major role in such areas as improving the profitability of agriculture and forestry, establishing local markets and generating new, value-added consumer products from traditional farm commodities.

All program areas in Extension play a role in economic development education. However, in order to focus organizational resources more directly on educational programming in economic development, the Community and Rural Development unit was reorganized into a Resource Development unit (within an Economic Development Department) in 1984.

Program Efforts in Economic Development

Extension economic development programs in Georgia make extensive use of Weber's third suggested role for economic development education. This role, of providing leadership training, has enjoyed great success in generating community level support for further economic development programs. A community-based, 14-week leadership development program was designed and piloted in 3 counties in 1985 and implemented in 24 counties in 1986-1987. Twenty-four additional counties have scheduled the program for 1987-1988.

This highly successful program is making a contribution to building human capital by developing and expanding Georgia's leadership base. It is a community-based program developed by Georgia Extension with co-sponsorship from local chambers of commerce, boards of commissioners and other related groups.

This intensive leadership development program involves 30+ hours of instruction and is scheduled one evening (7:00-9:30 p.m.) each week for 14 consecutive weeks. Instruction involves a combination of lectures,

audiovisual media, small group and panel discussions, individual and group assignments, special projects and informational tours/trips.

The program provides a continuing forum for its participants to maintain contact with local leadership, increased personal and professional growth, a broad exposure to the county, and many opportunities to actively participate in community affairs. Upon "graduation," the county gains emerging leaders who have developed a heightened sense of civic concern and responsibility. Within a five-year period, all Georgia counties will have had an opportunity to participate.

Of Weber's four roles for economic development education in Extension, Georgia Cooperative Extension Service educational programs utilize the same basic educational philosophies. Weber's fourth goal for Extension economic development education is to get involved in shaping the institutional structure affecting economic development. Through the County: 2000 program Extension is providing the detailed educational effort to assist communities in maintaining and developing their institutional structures. The County: 2000 project was designed to help communities examine and understand the current environment in which they live and from this understanding to discuss various alternatives and strategies for local growth and development.

CASE STUDIES

Gordon County

A case study can serve to demonstrate how Weber's first two roles, giving perspective and increasing the knowledge base of community leaders, is implemented through educational programs of the Georgia Cooperative Extension Service. The Georgia Extension Service responded to an opportunity to do economic development work in Gordon County as a result of a request from the Chamber of Commerce through the county agent. This county is in Northwest Georgia, has a population of 32,000, and is economically dependent upon textile mills (tufted carpet) and an agriculture based upon beef cattle and poultry. The county is located on the I-75 growth corridor between Atlanta and Chattanooga. It is the only non-metro county along this corridor.

The Chamber of Commerce had no economic development program focus on agriculture or any expectation of its possible economic expansion opportunities. Several issues in the community, especially a proposal for a master land-use plan, placed agriculture and Chamber people on opposite sides of the fence.

The Gordon County Extension office and the Gordon County Chamber of Commerce jointly sponsored a "Socioeconomic Perspective of Gordon County." This perspective, presented by Extension specialists and research faculty, presented a wide variety of data and

information on the county and its people and economy. A series of follow-up meetings provided opportunities to develop economic development strategies, expand agricultural enterprises, retain and improve existing businesses, and attract new businesses to the county.

As a result, the entire Gordon County Chamber of Commerce program for 1986 was devoted to agribusiness development. Phil Overton, Executive Director of the Gordon County Chamber, cited the Socioeconomic Perspective for bringing a new awareness of agriculture's role in the total economy of the county. Expanded farm-city recognition programs were initiated in the community and an agribusiness committee was added to the Chamber's overall committee structure. The county agent, who had been a member of the Chamber of Commerce, was made an ex-officio member of the Board of Directors in order that his expertise and assistance would be available to the Chamber on a continuing basis. The Agribusiness Committee, with the support of Cooperative Extension specialists in both Resource Development and Agriculture and Natural Resources, in cooperation with the County Extension staff, accomplished the following activities:

A market strategy analysis (developed by Extension specialists in Food Sciences, Agricultural Economics and Economic Development) to retain and expand business potential was completed and presented to a \$2 million Gordon County dairy manufacturer/distributor. The strategic plan was to increase local sales, develop a product reputation, and increase profit and growth in its market area. Since then Meadowbrook Dairy, a milk bottling plant that processes most of the milk produced in the county, has generated a 20% growth in sales.

With assistance from the Agribusiness Committee of the Chamber, Gordon County Farms (Bryan Packing) now has expanded its plant and is employing nearly 400 people with further plans for expansion. Dal-Ge Poultry Farm has installed a methane generating plant to facilitate waste handling and produce internally most of the energy for its egg operation. The county has also added a vegetable greenhouse to use the surplus energy produced through this operation.

One new agribusiness (based on an Extension staff study) chose to locate in Gordon County in response to the Chamber's emphasis on agribusiness recruitment. Houston Fertilizer and Grain, which located a plant in Gordon County, is a federally approved grain storage facility that stores government commodity grains.

The agribusiness committee drafted (with assistance from Extension specialists) a land-use plan that was supported by both agricultural interests and the Chamber. Gordon County's success in economic

development was also recognized by the Georgia Agribusiness Development and Leadership Recognition Program by naming them their 1987 winner. The agribusiness recognition program, which encourages economic development in the agribusiness sector, is sponsored jointly by the Cooperative Extension Service of the University of Georgia, the Georgia Power Company and the Georgia Agribusiness Council.

In addition, Gordon County was featured in a publication, "Economic Development for Rural Revitalization", and a videotape developed by USDA featuring three other examples from Ohio, Pennsylvania and Washington of successful Extension sponsored economic development programs around the country.

Wayne County

As a outgrowth of interest by the local chamber and key individuals, Leadership Wayne County was initiated. Co-sponsored by Extension and the Chamber of Commerce, two groups of leadership participants were selected, trained, and graduated.

The Charter Class began its 16-week session (later reduced to a 14 week program) in January, 1986 and graduated 30 of 33 participants. In late 1986 and in 1987, the second group graduated 26 participants (92.0%).

This intensive educational program consisted of three instructional units: 1) Basic Leadership (An Individual Perspective), 2) Participatory Leadership (A Group Perspective), 3) and Applied Leadership (A Community Perspective). The teaching faculty included Extension professionals, and key resource personnel from other UGA units, state agencies and developmental groups in the public/private sector.

The graduates of these two programs continue to meet quarterly to discuss issues and to develop and pursue strategies for economic development. They provided the impetus for passing the one-percent local option sales tax to support industrial development and provide tax relief for agricultural land. Members of the group were active in attracting the new federal penitentiary to the county and are presently involved in a new Vo-Tech School concept for Wayne County. A number of issue-based task forces are also actively at work identifying issues and appropriate strategies to contribute to the continued overall economic development of Wayne County.

Troup County

An example of the Extension 2000 project (and current results) is illustrated by a case study of Troup County. This same process has, to varying degrees, taken place in over 80 Georgia counties.

This growing county on the Georgia/Alabama border didn't have any problems. At least,

the people asked to make up a Troup: 2000 committee didn't think so. After all, they had an apparently healthy economy based on the textile industry, unemployment was low, and no major problems headlines the local media. Then several textile mills closed because of serious international competition and agriculture in the county declined from the pressures of poor weather and low prices.

Troup County's 53,000 population is mostly employed in the 28 textile and apparel plants that sank their roots into the industrial base of the county some 200 years ago. Formal education was typically interrupted about the second year of high school to work in the textile mills. But world competition for textile products has changed the employment outlook. Some plants have closed while others are increasing their efficiency through more high-tech manufacturing processes, requiring a more highly skilled work force.

Troup County Extension agents, decided to form a Troup: 2000 committee to take a closer look at the community situation. Assisted by Extension Economic Development Specialists, they kicked off their work with a community needs assessment, followed by a presentation of the county's socioeconomic structure. The needs assessment revealed several serious issues which required community action. In addition, the Socioeconomic Perspective provided more detailed information on these same issues as important social and economic concerns.

Education statistics revealed that 58% of the population over the age of 25 did not complete high school. More troublesome was the fact that the current dropout rate in Troup County was above the state average. The county's crime rate ranked it 19th out of 159 counties. Teenage pregnancy was on the rise. Population trends showed an aging population that would require increasing health care and support services. Traffic snarled the downtown shopping area. Housing quality was low and by the year 2000, the population of Atlanta and Columbus will be moving closer to the county adding pressure to utilities, schools, services, roads and land. The government infrastructure to address these problems was in relatively good shape but urgently needed unity through a comprehensive community development strategy.

The county was obviously not prepared to deal with such major issues. The Troup: 2000 committees then went to work. The groups addressed the issues that had been highlighted. Ten committees were established to discuss and implement managed growth, agriculture, business retention, traffic management, education, employment, youth and related problems, aging population, health, security, housing, and historical preservation and cultural affairs.

The committees compiled data on their topics. Over a six months period, committees

met and discussed their concerns. They learned more about their county's makeup, resources, advantages, potential and problems than any of them had ever before known.

Although the county does not see itself as an agricultural county (agriculture contributes less than 10% to total personal income), the agricultural subcommittee brought out issues no one had previously considered -- erosion, timber resources, and land use planning. It helped point out the interdependence of many social and economic concerns in the community.

Each committee hammered out a report that outlined what they had learned about their topic, listed their strengths and weaknesses and voiced concerns. As talks continued, the critical issue that all hinged on was "education." The Chamber advertises the quality of the labor force, however, the facts indicated that 35.4% of the adult population had less than an eighth grade education and another 23% (total of 58.4%) had not graduated from high school. Examination of current school enrollment and graduation data revealed that less than 70% of the presently enrolled students graduated. Teenage pregnancy, crime, employment opportunities, housing -- everything hinged on education, both formal education in the school system and informal education through adult education and community awareness programs.

The committee felt strongly that the report must go to the people of the county as well as to elected officials. One committee member developed a multi-media presentation based on the report. The committee's greatest concern was that it share a sense of urgency about the issues in order to illicit a county-wide response with action and follow-up to address alternative solutions.

SUMMARY

It is obvious that Extension economic development education in Georgia is very broad. It covers all four roles Weber outlined for Extension economic development education efforts. However, the greatest need for Extension in providing economic development education is institutional support for a broad-based research program upon which to evaluate alternatives, develop perspectives, and provide leadership training meaningful and purposeful to the people in every county of the State. A well structured research program is needed to undergird Extension programs. Access to land-grant and other research-based subject matter expertise, available educational technology, and a county agent network, places Extension in a unique position to benefit the people of Georgia. These are the components necessary to execute an effective economic development educational program.

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