Capturing Rural

The National Picture & Local Perspectives

Dr. Glenda Humiston
February 1, 2018
Farming-Dependent Counties

Mining-Dependent Counties

Manufacturing-Dependent Counties

Federal / State Government-Dependent Counties
The number of residents in these counties have seen a steady decline since 1990.
Rural communities haven’t recovered jobs lost in the recession; the rural job market is 4.3% smaller than it was in 2008.

Mechanization, environmental regulations and increased global competition have been slowly whittling away at rural economies – driving anger, fear and frustration for much of rural America.

Once upon a time, it was obvious what towns and small cities did: they served as central places serving a mainly rural population engaged in agriculture and other natural resource-based activities.

...Over time, however, agriculture has become ever less important as a share of the economy, and the rural population has correspondingly declined.

...for generations we have lived in an economy in which smaller cities have nothing going for them except historical luck, which eventually tends to run out.

Parag Khanna, a global strategist, is author of “Connectography: Mapping the Future of Global Civilization”

Connectography is a hopeful vision of the future – new energy discoveries, innovations, and ambitious transportation corridors and have eliminated the need for resource wars.

“Beneath the chaos of a world that appears to be falling apart is a new foundation of connectivity pulling it together.”

www.paragkhanna.com/connectography/
The good news for America is we have so many major cities that we have a distributed economy.

In almost all countries, cities have all the economic mass and most of the population, and people are moving to cities by the hundreds of millions.

World economy is much more structured to the gravity of 40 – 50 megacities than the 200 sovereign nations.

www.paragkhanna.com/connectography/
Seven economic mega-regions, with high-speed rail connecting urban centers, creating a “United City-States of America.”

“…having 50 states is great if you’re running in a primary, but it doesn’t help make America a more viable or competitive economy.”

www.paragkhanna.com/connectography/
...if U.S., Canada and Mexico unite their energy, water, agriculture and labor resources...

...a powerful continental empire,...Canada controls half the Arctic – very strategic as Arctic ice melts.

Canada may be the world’s largest food producer in 20-25 years as a result of climate change.

Water: southwestern U.S. is in a perennial drought, yet it also sees the fastest growing population. Hydrological engineering may be needed between Canada and U.S.

www.paragkhanna.com/connectography/
Interagency Task Force on Agriculture and Rural Prosperity

October 2017

“METRO” is a huge problem!

One town of 50,000+ population causes an entire county to be designated “Metro”.

Persistent Poverty Counties

> 20% of residents were poor as measured by each census 1980 – 2010

[Map showingPersistent Poverty Counties with the percentage of residents living in poverty for each census from 1980 to 2010.]
Only 2% of annual state job gains are business relocations; most are from:

- expand existing businesses – 42%
- new companies – 56%

Jed Kolko, September 2010, Public Policy Institute of California
Entrepreneurship is measured by proprietorship, a tax status of at least one self-employed individual, who may also employ others. One proprietor may own multiple businesses.

### Entrepreneurship per 1000 residents

<table>
<thead>
<tr>
<th>Type</th>
<th>Entrepreneurship per 1000 residents</th>
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</thead>
<tbody>
<tr>
<td>Rural (pop. less than 2,500, not adjacent to metro)</td>
<td>234</td>
</tr>
<tr>
<td>Rural (pop. less than 2,500, adjacent to metro)</td>
<td>177</td>
</tr>
<tr>
<td>Rural (pop. 2,500 - 19,999, not adjacent to metro)</td>
<td>160</td>
</tr>
<tr>
<td>Rural (pop. 2,500 - 19,999, adjacent to metro)</td>
<td>140</td>
</tr>
<tr>
<td>Rural (pop. 20,000 or more, not adjacent to metro)</td>
<td>130</td>
</tr>
<tr>
<td>Rural (pop. 20,000 or more, adjacent to metro)</td>
<td>121</td>
</tr>
<tr>
<td>Metro (pop. less than 250,000)</td>
<td>126</td>
</tr>
<tr>
<td>Metro (pop. 250,000 - 1 million)</td>
<td>122</td>
</tr>
<tr>
<td>Metro (pop. over 1 million)</td>
<td>131</td>
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### Five-year business survival rates

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<tbody>
<tr>
<td>Rural (pop. less than 2,500, not adjacent to metro)</td>
<td>71.6%</td>
</tr>
<tr>
<td>Rural (pop. less than 2,500, adjacent to metro)</td>
<td>70.9%</td>
</tr>
<tr>
<td>Rural (pop. 2,500 - 19,999, not adjacent to metro)</td>
<td>70%</td>
</tr>
<tr>
<td>Rural (pop. 2,500 - 19,999, adjacent to metro)</td>
<td>69.5%</td>
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<tr>
<td>Rural (pop. 20,000 or more, not adjacent to metro)</td>
<td>68.5%</td>
</tr>
<tr>
<td>Rural (pop. 20,000 or more, adjacent to metro)</td>
<td>68.3%</td>
</tr>
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<td>Metro (pop. less than 250,000)</td>
<td>68.3%</td>
</tr>
<tr>
<td>Metro (pop. 250,000 - 1 million)</td>
<td>67.6%</td>
</tr>
<tr>
<td>Metro (pop. over 1 million)</td>
<td>66.5%</td>
</tr>
</tbody>
</table>

Common Mistake: Assume More Startups in Metro Areas. Rural Counties have higher rates of Entrepreneurship.

Stephan Weiler, Professor of Economics, Colorado State University; Tessa Conroy and Steve Deller, Professors of Economics, University of Wisconsin-Madison
In 2012 California’s Working Landscapes Produced:

1.2 Million Jobs in California

$318 Billion Direct Sales & Exports

2012 Data developed by Center of Excellence Research Office, CA Community Colleges
WORKFORCE & TRAINING
TRADE / NEW MARKETS
SUPPLIER NETWORKS
ACCESS TO CAPITAL
INFRASTRUCTURE
BUY/PROCURE LOCAL
LOCAL ECON/ECO-SYSTEMS
RESEARCH AND INNOVATION
OPERATIONAL IMPROVEMENTS
Capital for the Manufacturing Ecosystem
“Elevate Rural California”

Support targeted workforce and economic development activities:

- **Biomass Development**
  - developing a next-generation forest products industry
  - innovative community college workforce development

- **Broadband Connectivity**
  - connect the numerous broadband-related efforts
  - deploy internet-of-things in agriculture, tourism, etc.
  - communicate importance of broadband infrastructure

- **Water Infrastructure**
  - provide technical support & align efforts with statewide work on ecosystem services & integrated watershed management
  - explore innovative ways to finance the drinking water and water treatment infrastructure
Ecosystem Services are Vital Natural Capital

- Spiritual & religious
- Aesthetic
- Flood/Fire regulation
- Disease regulation
- Water purification
- Climate regulation
- Freshwater
- Genetic Resources
- Recreation & tourism
- Fiber
- Food

Value ($)

Difficult or impossible

Easy

Economic Valuation

University of California
Agriculture and Natural Resources
New projects and companies

Mentorship and support

Fields, labs, incubators, maker spaces

Outreach, communication, events, competitions

Early Partners

Statewide Network
• Sustainable Production Systems
  • Food Production
  • Food Safety
  • Food Security
  • Forestry
  • Horticulture

• Energy

• Natural Resources
  • Water
  • Wildlife
  • Wildfires in the West
  • Ecosystem Services
  • Invasive Species, Pests, and Diseases
  • Economic Opportunities for Natural Resources

• Community and Economic Development
  • Youth Development
  • Science Literacy around Agriculture, Nutrition, and Natural Resources
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