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Overview of Rural America: Past, Present, and Future

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Rural America is a diverse and changing place. Small-town America, the family farm, and the frontier west are images that have long formed the foundation of the rural American dream. Basic rural values that are ingrained in visions of open spaces, picturesque rolling hills, rich farmlands, patchwork waves of grain, and majestic mountains are alive and romanticized in our culture. Yet these popular images mask the reality that rural America is an extremely significant, diverse, and complex part of our society, with resources, problems, and needs that are extensive and largely misunderstood. This paper addresses several key issues and suggests an emerging new rural paradigm to address them.

What Do We Mean by Rural

Distinguishing urban from rural has long been a central theme of demography, whether it takes the form of a single dichotomy (i.e., a place is either rural or urban) or is expressed as a continuum based on population size. The usual result has been to define rural places as residual (i.e., those places that are not urban) and a tendency to base place-based policies on a dichotomous view of human settlement. As Coombes and Raybould note, "[I]n an increasingly complex pattern of settlement … no single measure can represent all of the distinct aspects of settlement structure that will be of interest to public policy" (Coombes & Raybould, 2001, p. 224). They argue that there are at least three distinct dimensions to modern settlement patterns: (1) settlement size, ranging from metropolitan to hamlet; (2) concentration, ranging from dense to sparse; and (3) accessibility, ranging from central to remote.

Demography and Geography

In an examination of these dimensions, Hugo, Champion and Lattes (2003) note that many countries use population size as their sole criterion for defining urban settlements and for creating distinctions between settlement types. This has deep roots in

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Table 1: *Population of Counties Across the Rural-Urban Continuum 2000*

Code	Description	No. Counties	2000 Population 000s	% Total Population
Metro Counties				
1	Counties in metro areas of 1 million population or more	413	149,224	53.0
2	Counties in metro areas of 250,000 to 1 million population	325	55,514	19.7
3	Counties in metro areas of fewer than 250,000 population	351	27,842	9.9
	Total Metro Counties	**1,089**	**232,580**	**82.6**
Nonmetro Counties				
4	Urban population of 20,000 or more, adjacent to a metro area	218	14,442	5.1
5	Urban population of 20,000 or more, not adjacent to metro area	105	5,573	2.0
6	Urban population of 2,500 to 19,999, adjacent to metro area	609	15,134	5.4
7	Urban population of 2,500 to 19,999, not adjacent to metro area	450	8,464	3.0
8	Completely rural or less than 2,500 urban population, adjacent to metro area	235	2,426	0.9
9	Completely rural or less than 2,500 urban population, not adjacent to metro area	435	2,803	1.0
	Total Nonmetro Counties	**2,052**	**48,842**	**17.4**
U.S. TOTAL		**3,141**	**281,422**	**100.0**

Source: USDA, Economic Research Service.

central places theory and is still the preferred metric for those with an interest in large cities and metropolitan regions. Size, it is argued, matters in terms of competitiveness, diversity, interaction, and innovation. The measurement of concentration in terms of population density is often used to measure the extent of urbanization and has been used as a predictor of population growth or decline (Smailes, 1996). The third dimension, access to basic goods and services, is used as an indicator of quality of life[1] and cost of living. Hugo et al (2003) argue that there is no need to restrict analysis to just these three dimensions, given that the advent of sophisticated geographical information systems permit the use of a much

[1]For a full description based on an extensive literature review, see Dissart, J. C., & Deller, S. C., 2000. Quality of Life in the Planning Literature, *Journal of Planning Literature, 15,* 135.

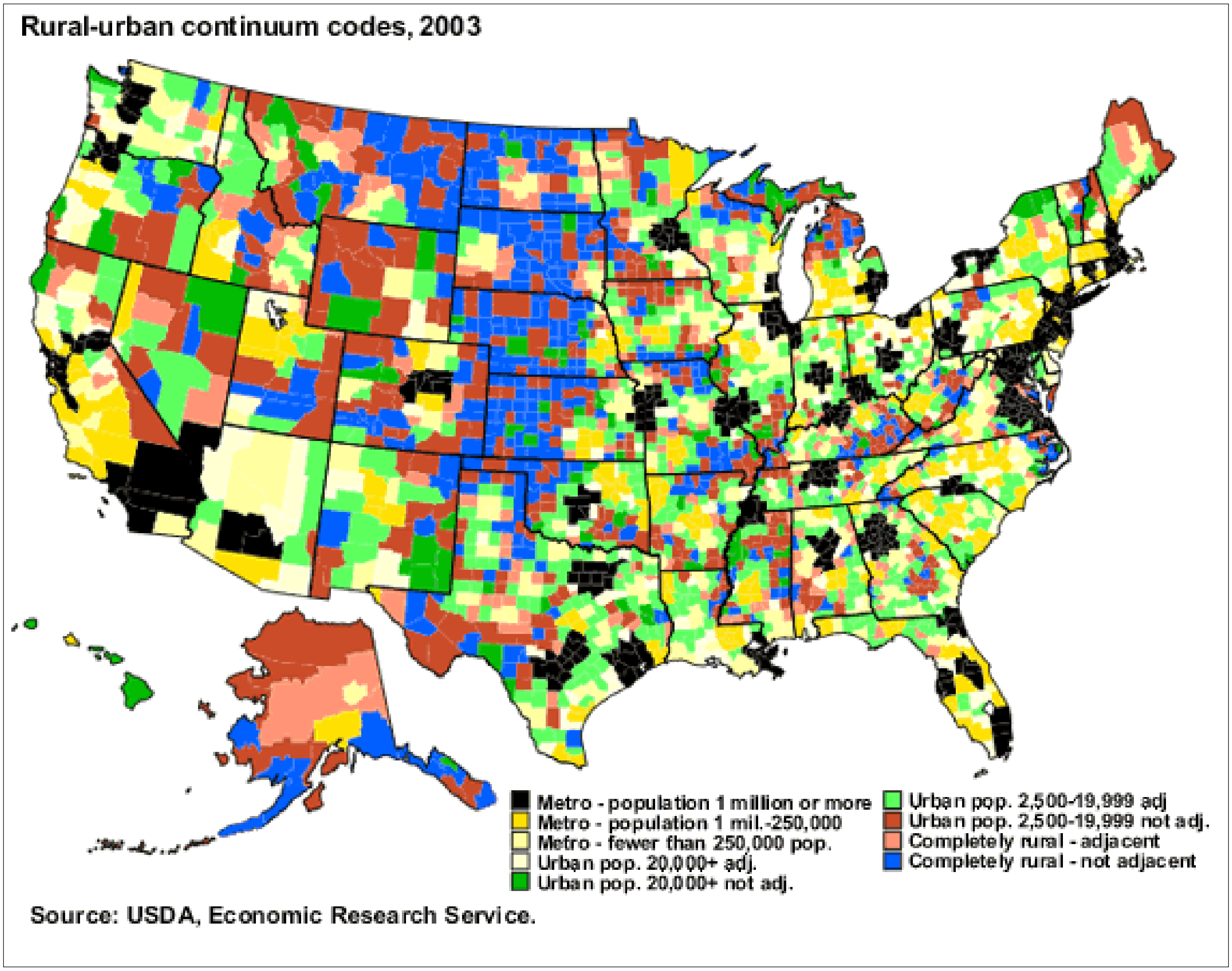

Figure 1: Distribution of Population Categories, 2003. Source: USDA, Economic Research Service.

wider set of variables that better capture the diversity and complexity of settlement, both urban and rural.

In the United States, there have been many attempts to create typologies that echo this broader approach (Isserman, 2005; Cromartie, 2007). Yet public policy tends to be tied to one of two types of measurement. The first, used by the U.S. Census Bureau, defines urbanized areas in terms of population (over 50,000 people) and density (1,000 persons per square mile at the core, 500 persons per square mile in adjoining territory) and urban clusters with populations between 2,500 and 49,999 people. As Isserman observed, "... we define urban very carefully and precisely and designate as rural that which is not urban. This separation of territory into town or country, urban or rural, leads us to define rural simply as homogenous with respect to not being urban" (Isserman, 2005, p. 465).

The second type of measurement is provided by the Office of Management and Budget (OMB). This defines metropolitan areas as central counties with one or more urbanized areas together with outlying counties that are economically tied to the core counties as measured by commuting to work flows. The areas outside the metropolitan areas are designated as nonmetropolitan, although there is an additional category of micropolitan areas that are centered on urban clusters of 10,000 or more persons. Again, as Isserman wryly noted, "We define metropolitan very carefully and precisely, beginning with an urban area at the core, but then we use the word 'rural' indiscriminately as a widely adopted synonym for places both urban and rural that are not

Table 2: *Isserman's Rural Typology*

Code	Type	No. Counties	Population 000s	% Population in Rural Areas	Rural Population 000s	% of U.S. Rural Population
1	Urban metro	171	125,927	2	3,001	5
2	Mixed urban metro	147	40,931	15	6,082	10
3	Mixed urban nonmetro	11	175	21	36	-
4	Mixed rural metro	467	59,133	27	15,975	27
5	Mixed rural nonmetro	555	27,292	47	12,701	22
6	Rural metro	304	6,589	78	5,133	9
7	Rural nonmetro	1,486	21,375	75	16,134	27
TOTAL		**3,141**	**281,422**		**59,062**	**100**

Source: Isserman (2005).

within metropolitan areas. In short, rural is used in two different overlapping and often contradictory ways, usually defined by what it is not: not urban, not metropolitan" (Isserman, 2005, p. 465).

The USDA Economic Research Service has developed a classification scheme that distinguishes metropolitan (metro) counties by the population size of their metro area, and non metropolitan (nonmetro) counties by their degree of urbanization and adjacency to a metro area or areas.

The scheme then subdivides these metro and nonmetro categories into three metro and six nonmetro groupings, resulting in a nine-part county classification known as the Rural-Urban Continuum. This provides a more fine-grained picture of rural and urban characteristics.

Table 1 shows that in 2000 more than 17.4% of the U.S. population (or more than 48 million people) lived in nonmetro areas. Of these, 32 million people lived in counties adjacent to a metro area, which suggests (although by no means guarantees[2]) relatively greater access to services, employment, and infrastructure available in cities (Luloff & Swanson, 1990, p. 2). Of the 16.8 million people who lived in nonmetro counties that are not adjacent to metropolitan areas, 2.8 million lived in areas designated as completely rural: This constitutes the rural population that is likely to have the greatest challenges in terms of access.

The map in Figure 1 shows how these population categories are distributed. As can be seen, the more remote populations are to be found on the Great Plains, the Ozarks and Appalachia, the Mississippi Delta, and Alaska.

Based on his critique of the prevailing classification schemes, Isserman (2005) proposed his own typology that addresses the fact that most counties have both urban and rural populations. Table 2 shows the distribution of rural populations by seven types of counties.

According to Isserman, there are approximately 59 million people living in rural areas (21% of the U.S. total) of which over 9 million (15%) live in urban or mixed urban areas, and 28 million (49%) live in mixed rural areas. Isserman's estimate of the rural

[2] Counties are neither of uniform size nor topography. For example, counties in the West tend to be much larger than those in the East. A resident in a western county may be 100 miles or more from any city.

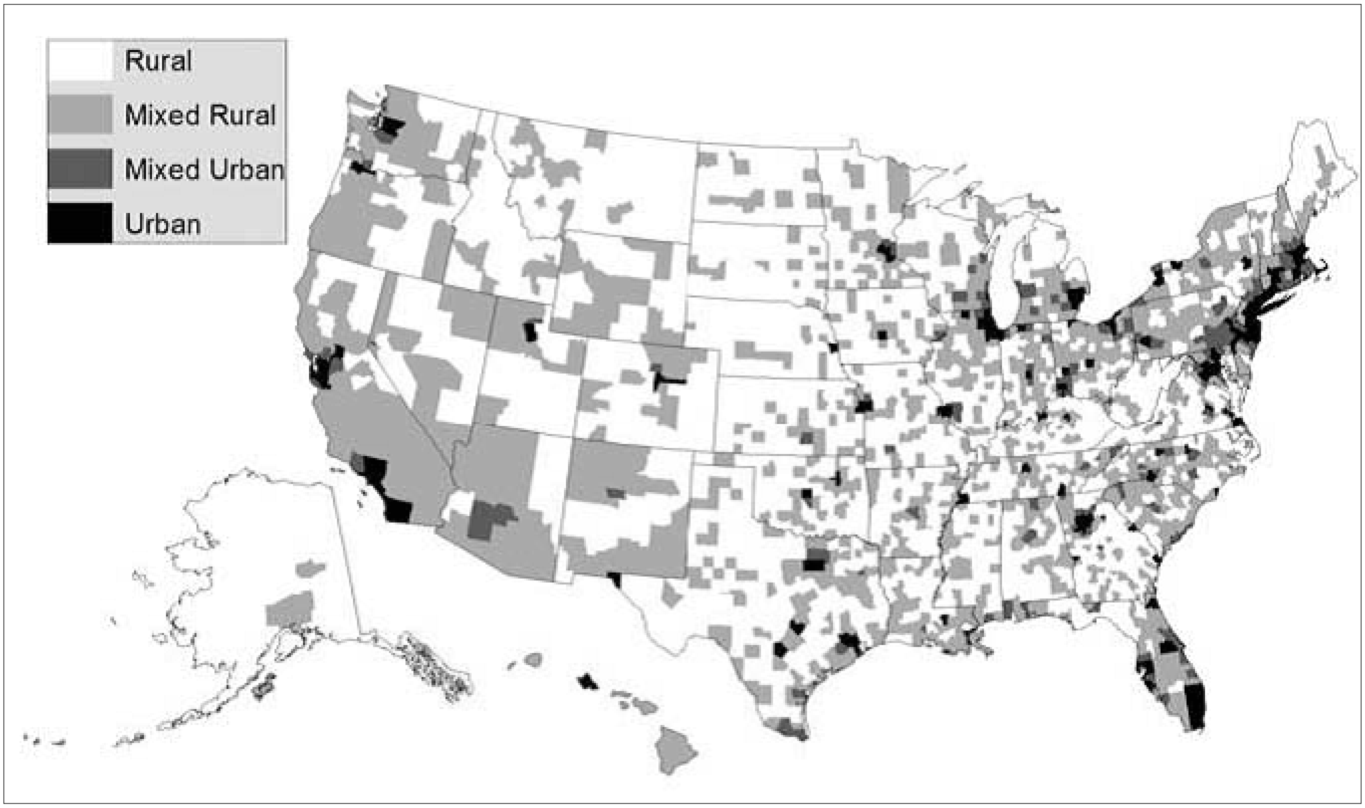

Figure 2: The Rural-Urban Density Typology (p. 478). Adapted from "In the National Interest: Defining Rural and Urban Correctly in Research and Public Policy," by A. M. Isserman, 2005. *International Regional Science Review, 28*(4), p. 465-499.

population living in remote locations of more than 16 million is consistent with the Rural-Urban Continuum. The map in Figure 2 shows U.S. rural-urban density typology.

Today, the U.S. Bureau of the Census estimates that 20% to 27% of Americans (53 million to 68 million people) live in a rural environment. Although this segment of Americans is approximately equal in size to the country's central city population, its visibility to policy makers is obscured by its dispersion across more than 75% of the landscape.

When the rural or non-metropolitan sectors are disaggregated from the rest of the country, the most striking characteristic is the diversity that prevails in rural America. For example, the U.S. Department of Agriculture classifies six types of non-metropolitan counties in relation to their primary economic base: agriculture; mining, oil, and energy; specialized government functions; persistent poverty; federal lands; and destination retirement.

Selected Demographic Trends

According to the latest Census, more than 51 million people lived in nonmetropolitan counties in 2010. This represented an additional 2.2 million people and a 4.5% increase since 2000, less than half the growth rate of 10.8% for metropolitan counties. Although the nonmetropolitan growth rate was due in part to the outmigration of metropolitan counties, the latter grew faster because they received a disproportionate share of immigrants and had higher rates of natural increase. The overall share of the U.S. population living in nonmetropolitan areas fell from 18% to 16.5% over the decade (USDA, 2011).

The map in Figure 3 shows the marked redistribution of the nonmetropolitan population since 2000, with gains in high amenity areas in the Mountain West and in counties adjacent to metropolitan areas across the country. The greatest concentration of population decline is in the center of the

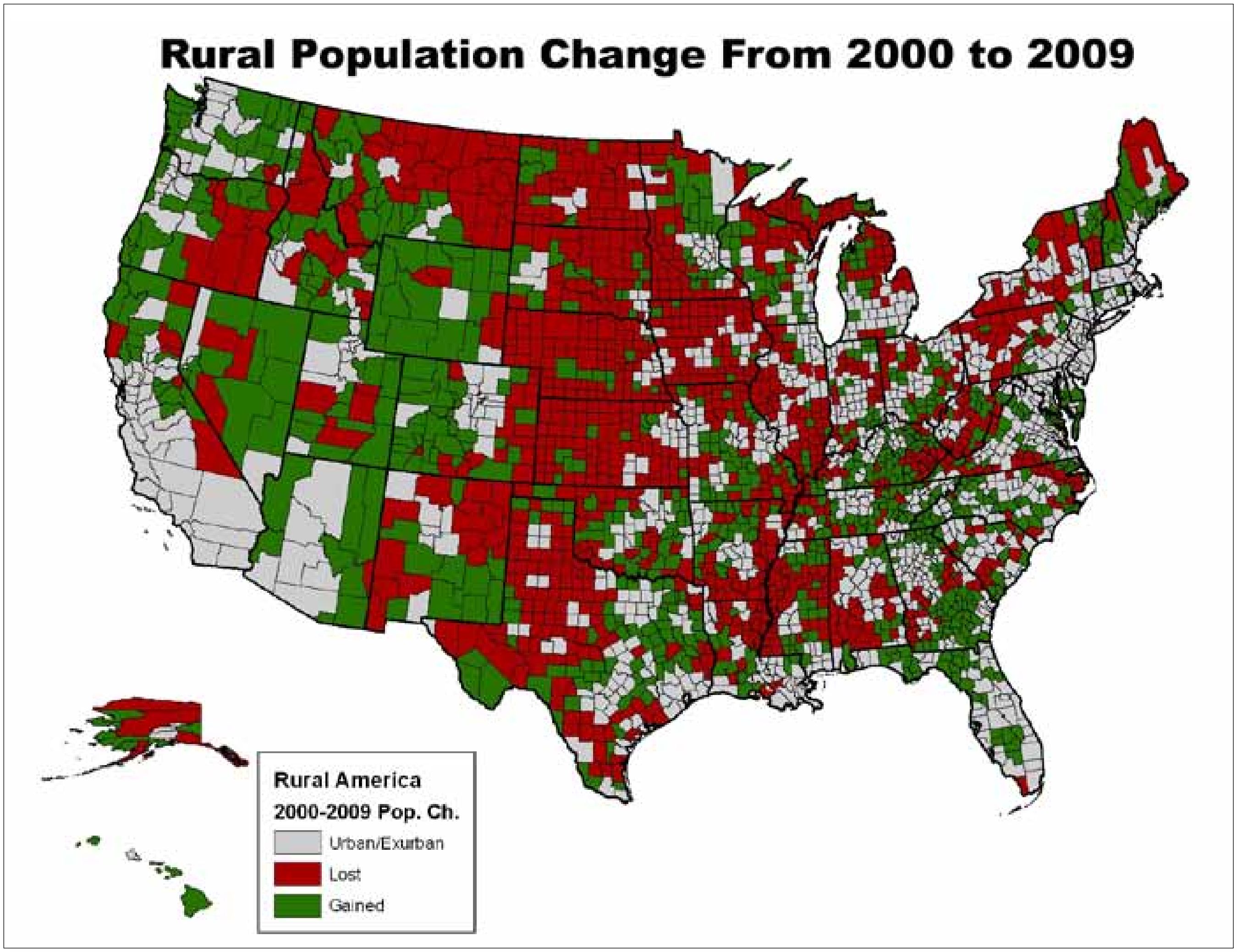

Figure 3: Rural Population Change From 2000 to 2009. Source: U.S. Census Bureau.

United States from the northern Great Plains of Montana and the Dakotas through the Corn Belt in Nebraska, Iowa, and Kansas and south into western Texas. Other concentrations can be seen along the Mississippi Valley from Illinois to Louisiana, as well as in Appalachia, and the rural regions of the Northeast.

More than a third of nonmetropolitan counties (750) experienced a natural decrease of population (i.e., more people died than were born). Thirty percent of counties close to metropolitan regions saw a natural decrease whereas the proportion of remoter rural counties was 45%. A geographical concentration in the Great Plains and the Corn Belt reflects the linkage between dependence on agriculture and persistent out-migration over several decades. The continuing exodus of young adults of child-bearing age led to a situation in 2000 where counties with extensive natural decrease averaged 27% fewer residents in their 20s than the United States as a whole. In turn this means that natural decrease counties have a disproportionate share of older adults (59% more people ages 70 and older in 2000) than the United States as a whole. The implications are serious for these counties: School enrollment drops with fewer students, the tax base declines with fewer people and jobs, and the availability of public services declines as demands for such services increases from a growing elderly population (Johnson, 2011).

A major trend is the growing diversity of rural America as demographic patterns change quite dramatically. From 2000 to 2010, the white population in nonmetro areas increased by only 1.6%, while the Hispanic population

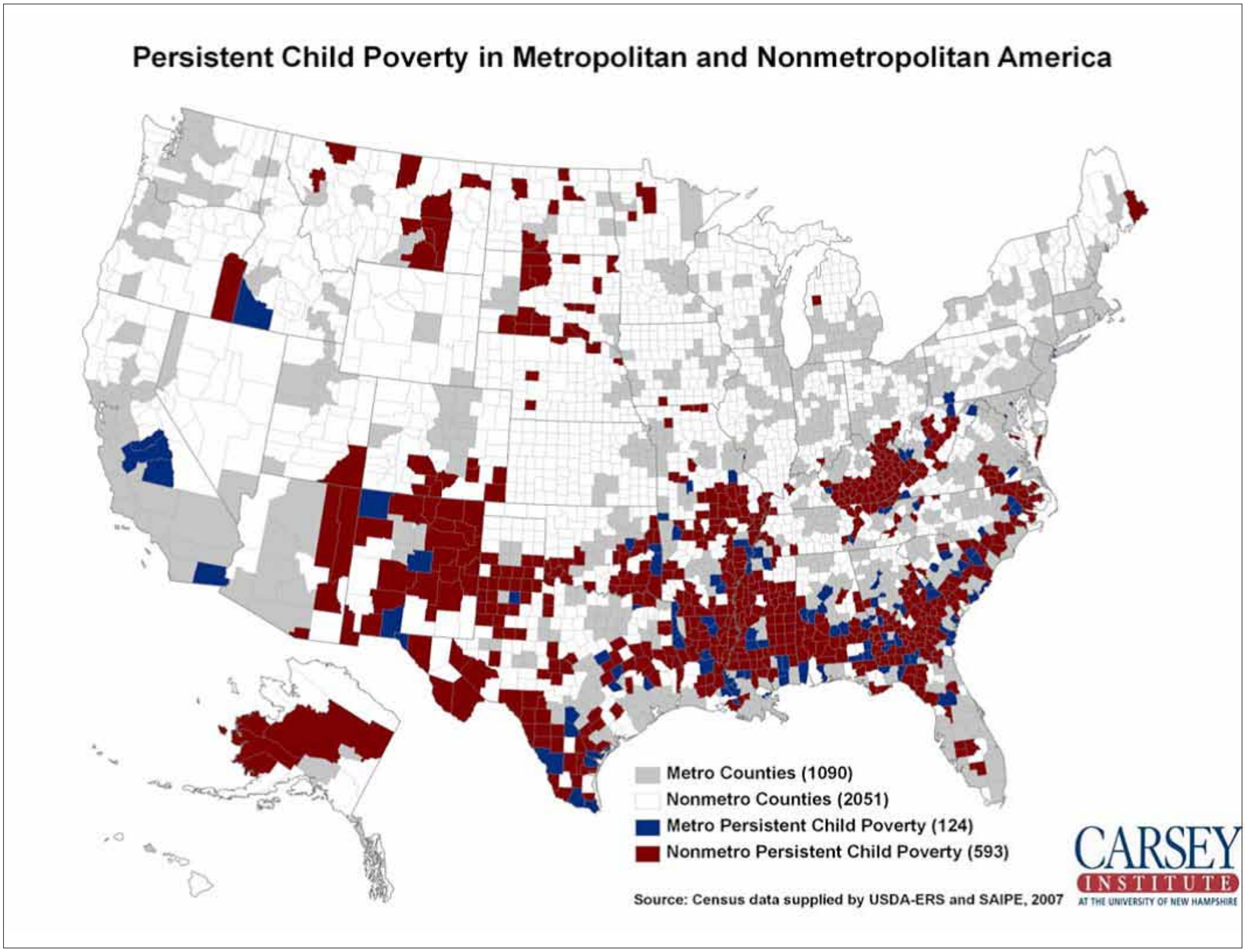

Figure 4: Persistent Child Poverty in Metropolitan and Nonmetropolitan America. Carsey Institute, University of Hew Hampshire. Source: Census data supplied by USDA-ERS and SAIPE, 2007.

rose by 45.2%, Asians by 33.4%, and African-Americans by 3.4% (Johnson, 2011).

From 2000 to 2008, the changes among young people under the age of 20 were even more marked. The Hispanic population of young people grew by 26%, while that of whites and blacks fell by 10.3% and 8.3%, respectively (Johnson, 2011).

One characteristic of the spatial distribution of racial minorities in rural America is its close association with poverty. With exception of central Appalachia, persistent poverty tends to be found among African-Americans in the Delta and Deep South, among Hispanics in the Southwest, and among Native Americans on the Northern Plains and in Alaska. The map in Figure 4 shows the distribution of persistent child poverty (Johnson, 2011).

Is Rural Still Relevant?

A main challenge facing rural America is that some discount its relevance. Recent statements from the New York Times,[3] the Brookings Institution,[4] and others argue that the future of America lies with the 100 largest metropolitan regions, saying that these are the places that generate most of the GDP, the innovations, and the talent, and therefore should receive priority for public and private investment.

Stauber (2001) posed a critical public policy question: "Why invest in rural America – and How?" He believed rural policy in the

[3] e.g., M. Cooper & G. Palmer "Cities Lose Out on Road Funds From Federal Stimulus." New York Times, July 8, 2009.

[4] e.g., Jennifer Bradley, "MetroPolicy for a MetroNation." Brookings Institution, June 2008.

United States to be unfocused, outdated and ineffective, and that "one size fits all" sector-specific, urban-based, top-down, and uninformed approaches to the challenges that face rural America do more harm than good. His historical perspective showed that in the two hundred years up until the 1970s, there had been a common understanding, a social contract, between urban and rural America that clearly identified and supported their respective economic and social roles. Since then, Stauber argued, there has been no such social contract and no compelling arguments articulated and accepted for metropolitan America to continue to invest in rural America. Almost a decade later, this view has been reinforced by a sharp focus of the work of the Brookings Institution on the ascendency of large metropolitan regions in the United States, and supported by an urban-inclined White House. Brookings' Bruce Katz encapsulates this view thus:

> If we unleash the energies in our metros, we can compete with anyone. Our 100 largest metropolitan areas constitute a new economic geography, seamlessly integrating cities and suburbs, exurbs and rural towns. Together they house two-thirds of our population, generate 74% of our gross domestic product . . . We mythologize the benefits of small-town America, but it's the major metros that make the country thrive. Why? When cities collect networks of entrepreneurial firms, smart people, universities and other supporting institutions in close proximity, incredible things happen. (Katz, 2010)

By implication, America beyond the metropolitan regions is about the past and no longer relevant to the nation's future. We are all familiar with the simplistic way in which rural America is portrayed in the media and often in policy discussions. The argument that rural is not relevant is based on the assumption that Gross Domestic Product (GDP) and production of consumer goods and services is the single most important social outcome to be valued, and that concentrating investment and wealth is the most effective strategy for maximizing GDP. This argument emphasizes maximizing material possessions and focuses on the operational principle of efficiency in achieving that end. It ignores core human values of freedom, justice, equity, and dignity. It suggests that the exploitation of natural resources (found mostly in rural areas) to support excessive urban demands should be an unconstrained driver of rural economies. Further, it ignores the potential downside to concentration of investment and wealth. After all, it was the brilliance of financial leaders that created credit default swaps that led to economic collapse. Large cities pose a myriad of social and environmental problems and costs associated with concentrated populations. Indeed, the act of ignoring core human values may be a symptom of excessive urbanization. Finally, it is interesting to note that when urban dwellers have enough resources, they often choose to escape the city for a more human scale life in small towns or rural areas.

The nation's 94 largest cities have 57 million inhabitants (24% of the population). Perhaps surprising to some, 52 million people (22% of the population) live in one of 32,070 towns in the United States with 10,000 or fewer residents. Because this population lives close to our natural resources, incredible things happen. Enough food is produced to feed the nation at a reasonable cost. Enough energy is created to power the cities. Our natural resources are protected, our national values are affirmed and sustained, and our environmentally despoiled lands are restored for wildlife habitat and human enjoyment.

There is absolutely no question that decades of under investment in rural places and people has contributed to areas of persistent poverty; under- and unemployment; population loss; aging demographics; poor and worsening access to essential services; and continuing impacts of discrimination based on race, class, and power (Dabson, 2011). This is also true for some cities and many sectors of most cities. When examined as a whole, rural America has more in common demographically with our central cities than rural American or central cities have with the suburban rings. Rural America is an extremely diverse patchwork of resources and people woven together in unique communities responsive to the regional ecology. In an age of information technology, creative talent can locate anywhere, and innovative productive structures can be organized in ways that maximize productivity, sustainability, and fair distribution of the benefits of both without being tied to a city. It is to these higher ends that the remainder of this paper is addressed.

Toward a New Rural Paradigm

A shift is underway that is beginning to redefine the roles that rural people and places play in national prosperity and well-being. This shift is gradual, is apparent both at the grassroots and in government policy, and is taking place along a number of dimensions. We have attempted to capture changes in the relationship between rural and urban places, the nature and scope of rural policy, the focus of economic and regional development, and the management and control of rural-based wealth and resources, by contrasting old and new paradigms. Table 3 presents the components of these paradigms both as means of helping to understand these changes but also to provide a context for discussing emerging ideas in policy and practice in a rural setting.

Rural-Urban Relationships. The old paradigm is concerned with distinguishing between rural and urban in ways that leave rural people and places largely at a structural disadvantage. The way definitions are applied has significant policy implications for the allocation of public resources, and increasingly leads to confrontation between urban and rural jurisdictions.

The new paradigm moves away from hard-and-fast distinctions and measures degrees of rurality or urbanity in ways that allows appropriate policies to be designed. The emphasis is on encouraging the exploration of urban and rural linkage, the search for common ground within regional frameworks, and the movement toward high levels of interdependence. One important aspect is the increasing recognition of the importance of micropolitan areas and small towns in determining investment priorities.

Rural Policy. The old paradigm treats rural America as a largely undifferentiated place except in respect to policies and investments in specific sectors or commodities. There is some understanding that rural people, especially in certain regions, are suffering from multiple disadvantages to which policy is intended to level the playing field by funding projects to address community deficits. However, increasing fiscal constraints and the use of urban per capita metrics encourage the consolidation of public services, particularly in the health, human services, and education sectors, so that important anchor institutions such as hospitals, schools, and post offices disappear from rural small towns, thus contributing to their continuing decline. Fiscal constraint also shifts allocation for resources from entitlements to competitive bidding, ostensibly to reward innovation and creativity, but having the effect of penalizing rural communities with limited institutional capacity.

The new paradigm recognizes that rural America comprises a diverse and complex landscape in terms of geography, demographics, economies, culture, and history. Some areas are thriving, others are struggling; some are mired in the structural disadvantages created in the past, others are responding to new opportunities. In the new paradigm, public policy acknowledges these profound regional differences and supports priorities that build upon regional assets and strengths. For example, investments in information and communications technologies, as well as in human talents and skills, offer opportunities for distance learning, tele-health, and networked community facilities within rural communities. Emphasis is given to the importance of place and on linked investments across sectors and activities to overcome program silos and inefficiencies.

Table 3: *Comparison of Old and New Rural Paradigms*

Old Paradigm	New Paradigm
Rural-Urban Relationships	
Policy based on confrontational competition for resources between urban and rural regions.	Policy aimed at identifying and developing rural-urban linkages to underscore interdependence and mutual benefit.
Urban and metropolitan areas are defined carefully in terms of population density and commuting patterns, while rural is defined as the residual.	Areas are defined in terms of their position on a continuum from dense urban to remote rural. Greater recognition given to the role of micropolitan areas and small towns as rural and regional anchors.
Rural Policy	
The needs of rural America can be addressed by a "one size fits all" policy.	Public policy reflects and embraces the diversity and complexity of rural America.
Priority for public resources is given to correcting disadvantage and evening the playing field.	Priority for public resources is given to building upon regional and community assets.
Efficiency in the provision of public and essential services, especially in health and human services and education, is achieved through consolidation.	Effectiveness is favored over efficiency in the provision of public services and is achieved through regional delivery systems and use of information and communication technologies.
Resources are allocated competitively so that the "best" projects and initiatives can benefit, usually the award goes to communities and regions with strong institutional capacity.	Investments are made in retaining and expanding rural institutional capacity so that rural regions are better able to compete for resources.
Policies are top-down initiated by the Federal Government according to its priorities and standards.	Policies support innovation and creativity from communities and regions to address local priorities, within over arching federal and state frameworks.
Public policy is sector-based.	Public policy is place-based and cross-sectoral.
Economic and Regional Development	
Investing in agriculture is sufficient rural policy.	Rural policy directs investment to range of sectors that support regional competitiveness.
Public support is in the form of subsidies, primarily price and market supports for agriculture.	Public support is in the form of investments, leveraging investments from the private and philanthropic sectors.
Economic development is based on competition between local and state jurisdictions for external investment.	Economic development is based on regional collaboration and cooperation to convert regional assets into global competitiveness.
National prosperity derives from public investment concentrating on networked economic activities based on innovation, entrepreneurship, talented people, and supporting institutions located in the 100 largest metropolitan regions.	Rural regions and economies are vital to overall national prosperity and wellbeing, based on their stewardship of land for food, energy, natural resources, and ecosystem services. Public investment in such rural regions and economies is essential to improve hard and soft infrastructure for effective stewardship.
Control of Wealth and Resources	
Policies are focused on extracting natural resources and other forms of wealth from rural regions for processing and use elsewhere.	Policies are focused on retaining and creating wealth in rural regions.
Exploiting natural resources should be an unconstrained driver of rural economies.	Natural resources are managed for the long-term to achieve balance between economic development, social equity, and ecological sustainability.
Rural resources are increasingly controlled and managed by corporations located elsewhere.	Rural resources are increasingly controlled and managed by or in partnership with local interests.

Economic and Regional Development. The old paradigm sees agricultural policy as rural policy in spite of the fact that only 1% claim farming as an occupation and 2% live on farms. Such policy is geared toward safeguarding farm incomes through price and market subsidies, but the impacts are largely felt in the major farm states and benefits accrue to large producers not to local economies. Economic development aimed at propping up tax bases and halting out-migration is primarily based on attracting companies from elsewhere, often using significant tax and other incentives. This leads to intense competition between cities, counties, and states, and wasted resources. A more recent feature of economic development has been a focus on economic clusters, especially in metropolitan centers, and on the benefits of agglomeration of innovation, technologies, and talents. The associated policy framing tends to exclude any role for rural America.

The new paradigm recognizes that regional competitiveness requires the engagement of all sectors in both rural and urban economies. The emphasis of public policy is on investments, not subsidies, and on leveraging resources from the private and philanthropic sectors to encourage cross-jurisdictional and cross-sectoral collaboration to create vibrant regional economies. Rather than look to the relocation of firms to rural regions, the priority is on encouraging entrepreneurship and the development of homegrown businesses and economies based on local and regional assets. Rural regions will have an increasingly key role in global competitiveness as custodians and stewards of vital assets for food, energy, natural resources, and ecosystem services. Additionally, regional development must focus on improving the rural infrastructure, both hard (e.g. transportation, broadband, and health) and soft (e.g. entrepreneurship, governance, and youth engagement).

Control of Wealth and Resources. The old paradigm sees rural America as being the source of wealth in the form of critical natural resources that can be extracted for the benefit of national well-being and personal fortune. Boom-and-bust cycles are accepted as an inevitable consequence of such extraction. Large-scale operations and major external investments drive mining, forestry, and industrial farming operations, with few opportunities for local control or wealth creation. In fact depletion of wealth and long-term economic and social disadvantage are to be expected.

The new paradigm sees wealth, broadly defined to include individual, social, intellectual, natural, built, and political wealth, as well as financial, as being the route to bringing long-term prosperity and well-being to rural communities and regions. Natural resources are managed for the long-term, which can yield not only returns in terms of income and jobs, but also achieve important social and environmental goals. Such an approach requires increasing local control and ownership of natural resources to ensure wealth remains largely local.

Rural Opportunities

Public policy and investment needs to be focused on future prospects and opportunities to help ameliorate these challenges. The old, confused paradigm of rural America (i.e., rustic, agricultural, bucolic, empty, independent, self-sufficient, etc.) no longer serves the interests of rural residents, rural communities, or the nation. The new paradigm of rural America is a story of great diversity. Millions of people live in small towns, more live in scattered patterns near natural resources either to protect or exploit them, as well as those who live on farms and ranches to grow the food that feeds the nation. While cities grow increasingly indistinguishable from one another, small towns and rural areas offer a diversity that still represents the laboratory of community. Rural policy needs to be based on a realistic examination of the current circumstances and provide a framework that shows a path toward a brighter future.

Several elements for such a framework are beginning to take shape, including: (1) focus on small towns as the basic unit of community, (2) organize community assets into regional strategies, (3) build and sustain high-quality modern infrastructure, (4) invest in rural institutional capacity to achieve long-term prosperity.

Focus on Small Towns as the Unit of Analysis. There has been considerable interest in place-based strategies as an alternative to the decades of siloed, categorical investments in urban and rural communities. We can no longer treat our policy and program efforts in agriculture, economic development, environmental stewardship, health, and poverty as if they do not interact with one another. We need to view communities as dynamic ecological systems that can vary along several dimensions of quality. These notions are reflected in such initiatives as the Livable Communities movement—a movement to integrate the design and organizations of communities as an integrated whole (Kochtitzky et al., 2006).

Organize Community Assets into Regional Strategies. An ingredient of addressing the rural issue will involve organizing rural communities into regional structures. This involves the search for ways of exploring urban-rural interdependence. Separate urban and rural policies and strategies are ineffective; they need to be integrated as equal components of regional policies and strategies.

Regional strategies emphasize identifying and building upon our regional and community assets for economic opportunity. This is the flip side of the entitlement. The strong and positive shift in community and economic development, away from focusing on weaknesses and liabilities to focusing on strengths and assets, has translated into some very promising areas of innovation that are permeating the mainstream of public policy:

1) Intentional efforts to foster **entrepreneurial communities** that encourage and support the growth of entrepreneurs who can convert community assets into economic opportunity.

2) Exploration of **wealth creation and retention strategies** based on a broad range of economic, social, environmental and other assets to be found in every community to varying degrees. (See also the Ford Foundation's Wealth Creation in Rural Communities, which describes both the wealth creation framework and gives examples.)

3) Introduction of **matched savings accounts** to help low-income people accumulate wealth through home-ownership, self-employment, and education. (See also A Guide for IDA Consumers with Disabilities.)

4) Creation of **community development financial institutions** to provide essential local investments in small businesses and home purchase. (See also Opportunity Finance Network.)

5) Capture of a share of **intergenerational wealth transfers** to support community foundations and rural community development.[5]

Build and Sustain High-quality Modern Infrastructure. A couple of years ago, responses to the Stimulus program highlighted the huge backlog in basic water and sewer infrastructure and a substantial pent-up demand to bring rural communities up to acceptable modern standards. Similarly, there is no shortage of demand for repair and maintenance of the rural road system. Obviously, these are all critical, but our definition of essential infrastructure needs to extend to include broadband, affordable

[5] See the Center for Rural Entrepreneurship for a description of Transfer of Wealth studies, including a new book from Don Macke, Deborah Markley, and Ahmet Binerer, "Transfer of Wealth in Rural America" on how capturing a small proportion of the wealth that drains out of rural places every year can be channeled for development purposes via community foundations.

housing, health care, and education. With the right telecommunications infrastructure we can keep our rural clinics, hospitals, and schools open as part of linked networks for telemedicine and distance learning, and thus enable our communities to remain viable. If we can think about our challenges holistically, new solutions might offer themselves, rather than accepting the grinding logic of economies of scale and consolidation.

Invest in rural institutional capacity. Rural America must invest to assure that adequate human resources, technological support, and institutional systems in the public or nonprofit sectors are in place. Without such resources, rural communities will not be able to take advantage of this new frame and the associated opportunities. The following are examples of how rural communities are investing in rural capacity.

1) **Anchor institutions,** such as community colleges and hospitals, are taking the lead to mobilize their regions and communities for community and economic prosperity.

2) **Regional collaboration** is gaining increasing acceptance across multiple jurisdictions either through formal regional development organizations or through ad hoc efforts to develop strategies and investment plans.

3) **Community foundations** are experiencing growth as the focus for local development, philanthropic, and voluntary effort.

4) **Rural innovation** is seeing intentional efforts being made to find new and more effective ways of transforming the lives and livelihoods of rural people through changing the ways we think about, organize for, finance, and deliver education and workforce preparation, individual and community health, social services, infrastructure, and public administration.

The new frame for rural America is about focusing on opportunities that contribute to national prosperity; build on community and regional assets; are supported by high-quality modern infrastructure; are enabled by flexible, integrated policies and programs; are brought about by regional partnerships and collaborations; and are made possible by enhanced institutional capacity. The new frame takes us away from "one size fits all¨ policies, rural whine, dominance of commodity agriculture, and exploitation of our natural resources without regard for the social and environmental consequences.

Implications for Disability and Rehabilitation

This broad analysis points toward a bright vision for the role of disability and rehabilitation in rural America. Rather than being seen as a disadvantaged population requiring subsidies, people with disabilities and the programs organized to serve them are viewed as assets.

First, people with disabilities are part of the population of every community. They can be seen as part of a community's assets. They offer skills and abilities in community leadership, entrepreneurial energy, and more. Second, rehabilitation services are often organized and provided in a manner consistent with a regional approach. These systems might be better organized using a cross-sectoral approach. Moreover, these organized systems might serve as a foundation for greater regional development and collaboration across all sectors. Third, together, people with disabilities and the systems organized to provide support represent significant wealth and resources within a region and for many of a region's communities. These assets might be better organized and might leverage broader community development. Fourth, people with disabilities represent a market demand for high quality infrastructure. A few selected examples of research, demonstration, and knowledge translation opportunities stemming from this emerging rural paradigm include community and regional leadership, business development and job creation, regional service models, evidence-based information technology delivery models, and enhancing community infrastructure.

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