

Economic Development Strategy Rural Asset Development



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NC Rural Center

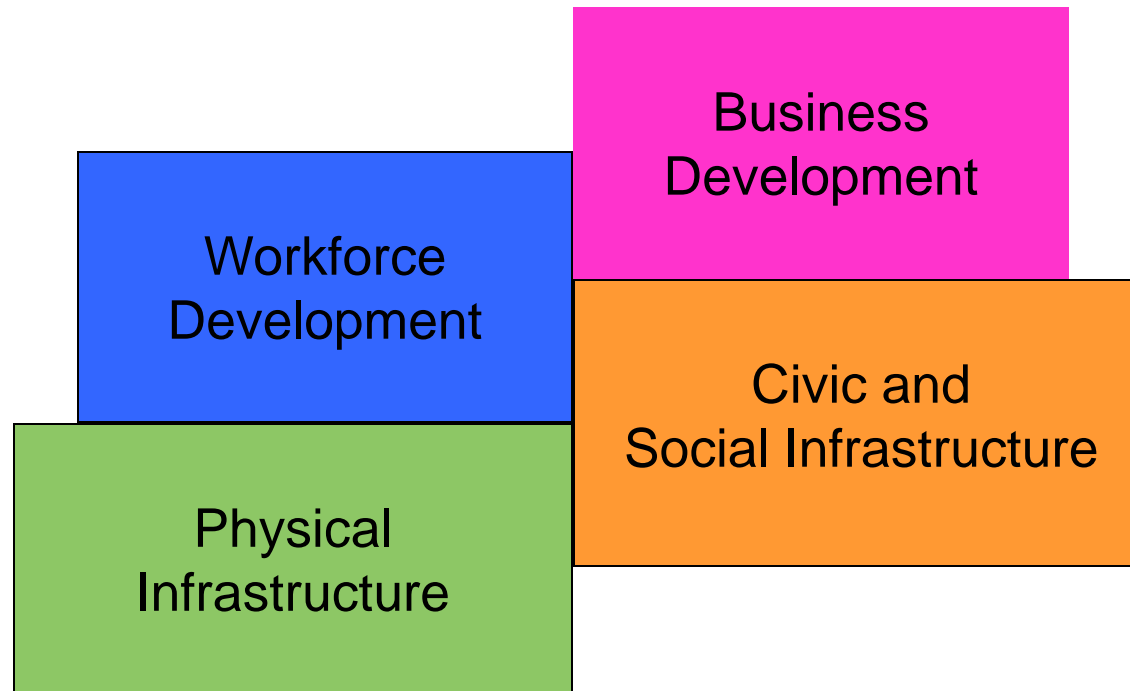
Phyllis Chavis, Executive Director
Regeneration Development Center

Rural Center Mission

To develop, promote and implement sound economic strategies to improve the quality of life for rural North Carolinians with special focus on individuals with low to moderate incomes and communities with limited resources.

Comprehensive Economic Development is

FOUR BUILDING BLOCKS



Rural Values and Strengths

- Love of the land
- Self-help and mutual aid practices – cooperatives, volunteer fire departments
- Entrepreneurial and resourceful – strong informal economy
- Independent minded and proud
- Close knit --- familiar with who is in the community
- Word of mouth “grapevine” important means of communication
- Thrifty – can do a lot with a little amount of money
- More diverse population – newcomers, returnees, immigrants and retirees
- Strong work ethic
- Deep heritages – generations doing a family business or carrying on a tradition or belonging to the same church

Rural “Wealth” can also be assets like ...

- Land holdings
- Mineral rights
- Livestock and crops
- Timber and forests
- Water resources

Rural North Carolina

Makes important contributions to our state's economy

- Agriculture and Fishing
- Tourism and vacation destination
- Arts, sports and recreation
- Health Care
- Military bases
- Manufacturing

Rural Economic Development

Asset Building → Economic Development
and ...

Economic Development → Asset Building



Seven Pillars of Economic Security and Empowerment



- **Sufficient Income** (TANF, wages, inheritance, annuities, social security, allowances)
- **Self-discipline** – balancing restraint and indulgence; planning ahead
- **Education/credentials or marketable skills**
- **Safety nets** (insurance, good credit, social networks, pension plans, savings)
- **Reputation** – character and creditability
- **Asset accumulation** (savings, homeownership, land ownership, owning a business)
- **Financial competence** – knowledge and skills around paying bills, establishing checking accounts, managing debts, planning for emergencies, writing a will

Trends and Gaps

- Population shifts
- Skills and Credential Gap
- Income Gap
- Poverty
- Educational Gap



Rural North Carolina



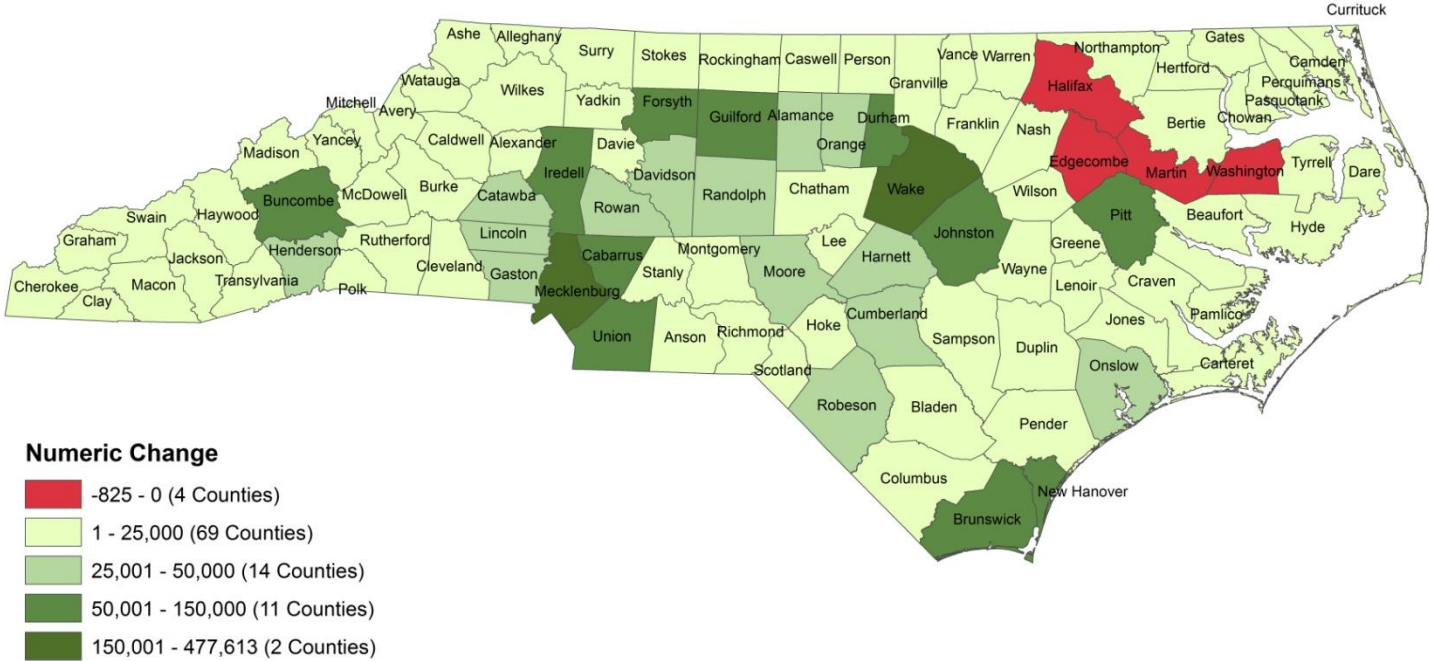
Urban population
4,812,393

Rural population
4,723,090

Rural North Carolina



Population Change 1990 to 2010



Source: U.S. Decennial Census 1990 and 2010

North Carolina is a state of small towns



- Nearly 1 million North Carolinians live in towns with a population of 10,000 or fewer people.
- 478 towns in North Carolina have fewer than 10,000 people; 430 towns have fewer than 5000 people.
- One in five small town residents have less than a high school education.
- There are 68 towns with poverty rates more than twice the state average.
- People of color hold majority status in 76 towns.
- More than 130 small towns lost population between 2000 and 2007. All but seven of those had populations of fewer than 5,000.
- Between 2002 and 2007, North Carolina lost 600,000 acres of farmland mostly to development.
- Nearly half of the towns with fewer than 5000 residents have no town manager or administrator. Clerks or elected officials handle day-to-day operations.

Demographic Shifts

- Population losses
 - young people leaving rural communities ↓

- Population gains
 - immigrants ↑
 - retirees ↑
 - military families ↑
 - second home buyers ↑
 - new graduates remaining in state ↑

Skills and Credential Gaps

- There is increased need for workers with strong technical, computer and vocational skills in plants and businesses ... It is more difficult for the unskilled or undereducated workers to qualify for jobs.
- Technology and automation are reducing the need for labor intensive worksites.
- The generation of workers with master skills in restoration, carpentry, mason work, welding are retiring and there are fewer people available to take their place.
- Lack of credentials -- People may have skills, but don't have the certificates or licenses to qualify for jobs..

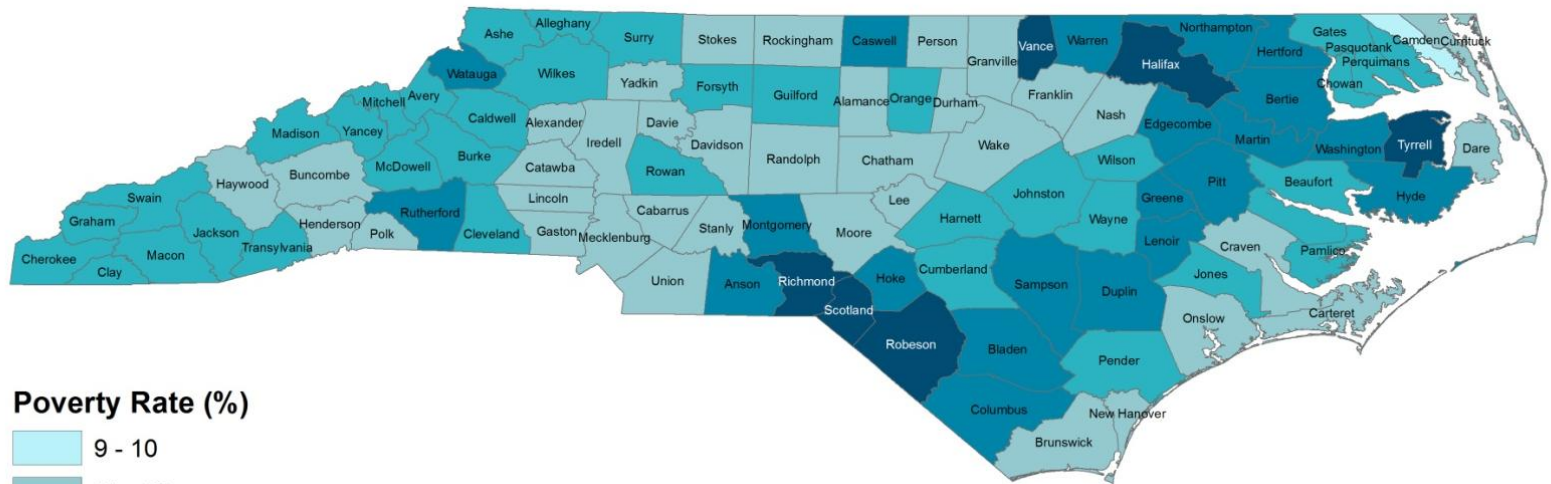


Job creation and Income Gap

- Between 1998 and 2008, only one of every 3 net new jobs located in a rural county
- Though half of the state's population live in rural areas, those areas had only 41% of the all jobs

Poverty Rate

Poverty Rate By County 2009



Poverty Rate (%)

9 - 10

11 - 16

State Poverty Rate 16.2%

17 - 21

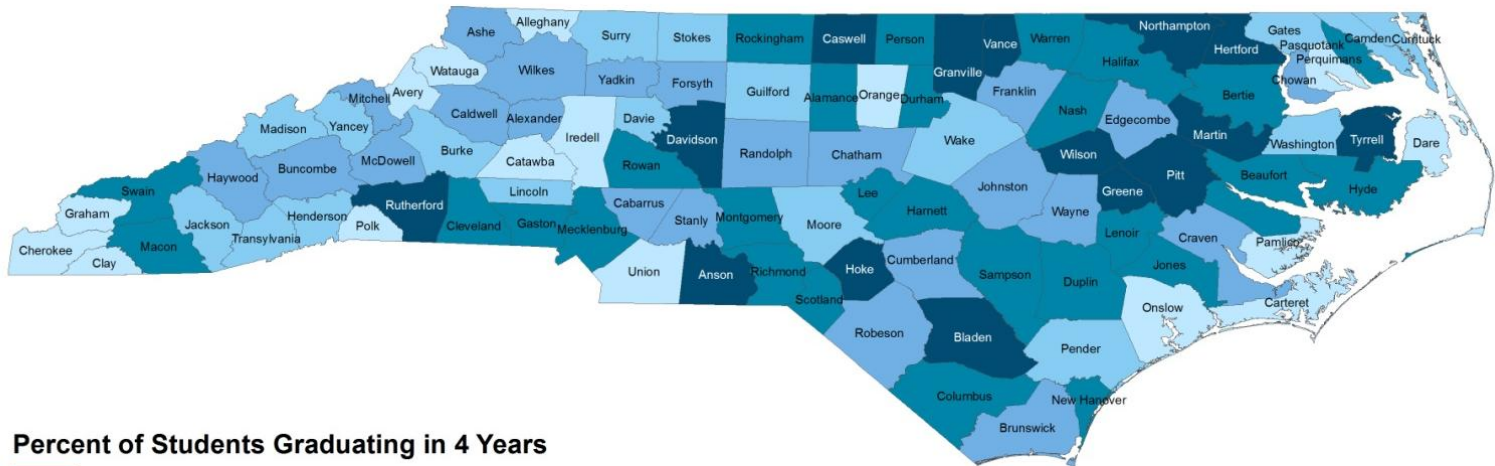
22 - 26

27 - 32

Source: U.S. Census Bureau Small Area Income and Poverty Estimates (SAIPE) 2009

Education Gap

2010 High School Graduation Rates by County



Percent of Students Graduating in 4 Years

59% - 67%

68% - 73%

State Graduation Rate 74.2 %

74% - 77%

78% - 82%

83% - 91%

Source: North Carolina Department of Public Instruction, 2010

“We all do better when we all do better”

U. S. Senate Paul Wellstone

