OUR SHARED FATE:

Bridging the rural-urban divide creates new opportunities for prosperity and equity

By

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SUMMARY

"It's time for a new equity and opportunity agenda for this country. I am looking for that wagon and for opportunities to hitch my horse to it. Historically, the rural folks have had their agenda and the urban folks have their agenda; but there is an opening now for advocates across rural and urban to come together to create a new common opportunity agenda for everyone."

Robert Ross

ajor economic, demographic, and environmental changes are compelling American policymakers to seek new ways to frame problems and develop strategies to ensure equity, prosperity, and sustainability into the future. One reframing lens that is gaining momentum emerges out of the realization that our traditional notion of "place" in America has changed radically. Places we used to recognize as discrete and distinct—neighborhoods, communities, cities, suburbs, towns, counties, and rural areas—now have fluid boundaries with systemic interconnections and interdependencies that challenge traditional policymaking. We are beginning to realize that we need to develop a more nuanced understanding of place—including about what is "rural" and what is "urban"—in America.

In recognizing and responding to the changing nature of rural and urban America, we have an opportunity to launch a new and different discussion about America's future. The interconnections among regions introduce creative ways of addressing vital national issues that have defied other efforts to build consensus and coalitions. We can create a new "place," both literally and figuratively, that encompasses rural, urban, and suburban places and where discussion of our shared fate can occur. And we can ground the discussion in pragmatism and mutual self-interest, rather than outdated iconic images or wishful thinking.

The most compelling issues for discussion and action include:

- The persistence of poverty
- The restructuring of the American economy and its impact on low-skilled workers
- The quality of public education for poor and middle-class children
- The need to provide adequate health care to all Americans
- The ability to deal successfully and equitably with the impact of high rates of immigration and the increasing diversity of the U.S. population
- The lack of political voice and civic capacity in low-income communities
- The collective obligation to keep our air and water clean
- The need to preserve livable spaces and sustainable countryside for future generations

These national challenges require the coordinated efforts of innovative policy makers and practitioners who can develop, test, and share strategies that respond to common problems that occur in a variety of locations. For example, globalization's effect on the structure of economic opportunity is experienced similarly in urban Detroit (MI) and rural Alexander County (NC). Bend (OR) and the Upper West Side of Manhattan are both challenged to preserve affordable housing as wealthy new residents move in. And the question of how to strengthen civic capacity and infrastructure is as hard to answer in central Appalachia and among migrant farm workers of California's Central Valley as it is in inner-city Camden (NJ) and East St. Louis (IL).

Taking steps on the common rural-urban agenda might be one of the most powerful ways to energize the country's leadership around these kinds of issues. By joining rural and urban efforts we can bring together unlikely allies across the American political landscape. We can build cross-cutting partnerships with the potential to unlock partisan log jams and stimulate much-needed innovative thinking across the policy, advocacy, practice, and research arenas. We can engage the suburbs, creating a critical mass of public will for change. And, in so doing, we can attend to the needs of vulnerable populations—people who are otherwise not powerful enough to bring about change on their own behalf—in all parts of the country.

Some innovation around these issues is already occurring. Forward-looking leaders in fields such as urban development, environment, transportation, health care, and economic development are identifying and testing new ideas. New thinking that focuses on issues such as smart growth, regional equity, and sustainable communities is helping to pull these strands together. The challenge is to build on that work, articulate our shared fate, gain more allies, identify new policy directions, test new strategies, build new capacities, and increase the momentum of change.

In 2005, two policy programs of The Aspen Institute—the Community Strategies Group, which traditionally focuses on rural issues, and the Roundtable on Community Change, which traditionally focuses on urban issues—jointly convened experts from their domains of work to test the viability and power of this overall framework. Fourteen leading urbanists and ruralists met to identify the common challenges and contexts of their work, define the ways in which their fields must evolve to match changing realities in all types of communities, and develop ideas for moving a common agenda forward. (See Appendix for participants and acknowledgments.)

The themes in this report were first articulated in that 2005 meeting, but they have endured and developed a momentum of their own. They were further elaborated in a number of forums that have occurred since. We produce this report at this moment in order to capture the essence of the discussion now and encourage continued dialogue and action around these important ideas.

This report summarizes the theme of "Our Shared Fate" and suggests five steps to advance understanding and practice around this potentially powerful organizing framework:

- 1. Refine our understanding of rural, urban, and suburban boundaries in ways that result in meaningful regional collaborations.
- 2. Develop new champions and non-traditional leadership.
- 3. Build a community of practice that will support, learn from, and disseminate lessons from emerging rural-urban partnerships.
- 4. Build the rural-urban advocacy agenda around upcoming policy opportunities.
- 5. Work with practitioners to test and disseminate the power of the rural-urban framework.



BUSTING ASSUMPTIONS ABOUT RURAL AND URBAN AMERICA

"The human mind is hardwired to recognize, use, and rely on patterns, structures, or routines to make us more effective and efficient. We rely on these "mental models" because they have served us in the past. But they can also blind us to any other pattern but our own; or, the landscape can change and we're still bound to the same old pattern. The antidote is Assumption Busting, which requires consciously revealing and examining the assumptions in our thinking patterns. The purpose of Assumption Busting is to identify our automatic responses and alter them in order to reframe our understanding of a situation or challenge."

—Adapted from Maggie Dugan and Tim Dunne (2002), www.instantbrainstorm.com.

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merica is undergoing fundamental demographic, economic, and environmental transformation. The forces driving this change include the following:

- **Globalization:** Information, money, ideas, resources, capital, products, and people flow rapidly across borders.
- **De-industrialization:** Manufacturing is continuing its steady decline as a source of good jobs as industries move offshore and use labor-saving technologies.
- **Agricultural consolidation:** Agricultural production is concentrating in the hands of a few large producers who use labor-saving technology, supplemented by low-wage workers. Small farm operations are threatened, with high value-added niche farming emerging as one of the few promising options.
- Expansion of the service economy: The service sector is booming but bifurcated. Lowend jobs in areas such as retail and food service provide few benefits, little security, and limited opportunity for career advancement. High-end jobs in areas such as finance and information services require investments in education and skills that are not universally available.
- **Suburbanization:** Suburbs continue to grow rapidly and have become the location of economic and political power in many states.
- **Resource needs and climate change:** The growing demand for water, green space, energy, and other natural resources puts severe strains on the environment, while climate change further threatens our environmental security.
- **Technological innovation:** Advances in bio-technology, micro-technology, information technology, and others have fundamentally altered the constraints on time, mobility, productivity, leisure, and communication in ways we have yet to fully comprehend.

Although we know full well that these changes are occurring, our policies and practices to promote prosperity and to address national well-being lag far behind the reality of how our economy, our communities, and our lives are structured in 21^{st} century America. Part of the reason for this disconnect is that the new reality conflicts with our deep-seated assumptions of who we are as a nation and about our place in the world. We have trouble seeing it because it differs profoundly from our long-standing frames of reference—our mental models for who and what America is. Are we not a country with vast natural resources that underwrite agricultural, industrial, intellectual, technological, and cultural advancement? Are we not an equal-opportunity society that offers hope for everyone regardless of race, creed, or class? Do we not have the most vibrant economy in the world?

The new reality challenges our assumptions about world order. In particular, it raises questions about what power means and who holds the cards with regard to well-being in America. We are used to our industrial giants and our financial system leading the way across the globe on matters of economic growth, employment, and investment. We have boasted about our health care, our educational system, our infrastructure, and our productivity. Our natural resources of land, water, fuel, and air have seemed virtually limitless and ours to exploit. And we have felt secure within our national boundaries. It is hard to accept that we do not fully control our own destiny.

Perhaps the most archaic aspect of our traditional mental model is our notion of the United States' geographic boundaries. In reality, our national borders are almost completely porous: migrants flow steadily across the frontiers, as do information, money, and products. Similarly, our internal boundaries—between urban, suburban, and rural—have become artificial and hard to differentiate. Yet our systems of governance and policymaking assume that those boundaries remain fixed.

OUTDATED ASSUMPTIONS ABOUT RURAL AND URBAN AMERICA

What is "rural" in 21st-century America? What is "urban?" Our sense of what these words mean, including both positive and negative stereotypes, has changed little in the last 50 or even 100 years. Yet, at every level, from the iconic to the pragmatic, **traditional concepts of urban and rural no longer apply.** In fact, they are downright unhelpful as a dominant organizing principle for policy and practice.

For example, the prevailing and incorrect perception that rural America is largely made up of family farms helps to maintain public acceptance for—or lack of opposition to—price supports for crops: government provides about \$10 billion in price supports annually for just six commodities (corn, cotton, rice, sugar, wheat, and soy), and most of those subsidies go to a small number of large

"Our outmoded definitions of towns, communities, metro areas, and regions produce flawed policies, which often cause us to deploy resources inappropriately and even counterproductively. And we will pay an even higher price in the future for not accurately identifying viable economic and political regions."

- Harold Richman

operations. Moreover, and perhaps most surprising to our mental image, only 4% of America's rural employment is currently in agriculture. Similarly, the perception that urban areas are teeming with dependent, undocumented, unskilled, and largely minority residents ignores the proportionally greater share that urban areas contribute to the tax base in many states and weakens public willingness to promote more coherent urban development policies.

The Appendix provides a quick snapshot of many such common assumptions about people, place, and prosperity in rural and urban areas. These assumptions, which represent the "default" image that Americans have of America, will endure unless we deliberately reeducate ourselves about who we are.

The problem with the old assumptions is not just that they are outdated or inaccurate. They represent a homogenized view of both rural and urban communities when, in fact, both are changing rapidly and are increasingly differentiated. Most insidious of all, however, the old assumptions imply that there are no similarities between rural and urban communities around

which common cause can be built. They imply that there are no interdependencies when, in fact, the well-being of each place is strongly influenced by what is happening in the other and on finding opportunities to work together to improve their shared fate.

THE NEW REALITY ABOUT RURAL AND URBAN AMERICA

The second half of the 20th century witnessed fundamental changes in rural and urban neighborhoods and communities that continue today. Metropolitan areas are growing rapidly, mostly due to spreading, low-density suburbs that are increasingly isolated—in economic, political, cultural, and civic terms—from the urban core. In many places, the power base now resides in the suburbs, and we are beginning to see the consequences of these trends for both rural and urban communities.

Rural America has become more diversified, and its prospects are more vulnerable to global and regional economic conditions. In 1950, "rural" was synonymous with agriculture, but today 96% of income in rural America is non-farm income. The prototypical family farm is consolidating

into someone's big business, replaced with mechanized ranching and farming that depend on low-wage workers, many of whom are immigrants. Basic manufacturing industries that moved into rural communities in the 1950s seeking low-cost, non-union labor depart routinely for even lower-wage labor overseas. People with outdated skills and little ability to move try to eke out a living in towns and counties whose economic base is transforming.

"We just haven't grappled yet with what is really going on in this country; our heads are in the sand. Less than 4% of workers are employed in agriculture, manufacturing has collapsed, and the only decent jobs are in the knowledge economy—but we don't invest in our educational system to train workers for the new economy. We've consigned whole demographic groups to lousy jobs, with wages that don't lift them out of poverty and give them no health or retirement benefits. Meanwhile, we're in denial about what we're doing to the environment. How can we wake up this country?"

— Karen Fulbright-Anderson

As some rural areas are literally emptying out, others are being over-run. In "high-amenity" rural areas with beautiful natural settings, advances in technology are allowing new populations thirsting for safe or improved lifestyles to move in, altering the community's cultural and economic landscape. Even some low-amenity rural places are seeing an influx of "equity refugees" from the city—people who can work anywhere and seek safer, lower-cost places to live and raise their families.

We see a similar dynamic in urban centers. In some cities, distressed neighborhoods persist, stubbornly disconnected from the economic and political mainstream. Meanwhile, in other "hot market" cities, economic elites are pushing out less affluent long-term residents. Here, gentrification is forcing the poor out of increasingly expensive urban neighborhoods and into less expensive, older, inner-ring suburbs and rural areas with inadequate infrastructure and services.

For both rural and urban residents, the equity implications of these trends are similar. Economic restructuring is happening at a pace that leaves out the least-skilled urban and rural workers as jobs, capital, wealth, and investment move to the suburbs or overseas. Pockets of persistent poverty remain in inner cities, in rural areas, and increasingly in inner-ring suburbs.

Meanwhile, race, place, and poverty remain strongly linked in America. For both rural and urban areas, communities of color are most persistently poor. A person of color is three times more likely to be poor than a white person. In urban areas, a neighborhood that is largely made

"Location is still a proxy for opportunity for most of the poor."

— Angela Blackwell

up of people of color is more likely to be poor than a predominantly white neighborhood, and racial minorities are over-represented in the poorest and most disadvantaged urban neighborhoods. Of the 440 persistently poor rural counties (defined as having more than 20% of the population in poverty

over the last four decades), 75% are majority-minority counties. People of color have been particularly disadvantaged by the shifts in employment: Latinos represent 75% of agricultural workers and 42% of meat processors; the number of African-Americans in low-wage, non-union rural jobs rose by one-third between 1990-2000. ¹

Leaders in almost every sector have trouble coming to terms with the new American reality and making the necessary fundamental shifts in their strategic planning and decision-making: smokestack industries cannot seem to adapt quickly enough; mill towns cannot recover their economic engines; pension plans are headed to bankruptcy; new immigrants are changing the employment system's structure; the public school system cannot deliver the human capital that the nation needs; and so on.

We must make it a priority to mitigate the damage of these inevitable changes and to position American people and communities to survive and thrive. At risk are the viability of urban centers, the health of rural populations and environments, the livelihood of vulnerable families, the availability and quality of natural resources, and our ability to respond flexibly to a more competitive global environment.

To be gained is a new energy for making our democracy work effectively for everyone. Understanding the ways in which rural dynamics are fundamental to urban well-being—and *vice versa*—could well be the catalyst to develop creative strategies for promoting prosperity and equity for all American communities. And the timing is right: this is a time of fermentation, innovation, and openness to new ways of problem-solving.

"This country's historic balance between urban and rural, in which rural areas survive by providing needed resources to cities and cities are the source of upward mobility for the poor, is eroding. Some people and places are positioned to take advantage of the shift. But for many people, places, and industries, the forces of change manifest as decreased opportunity, competitiveness, and livability; increased inequality between the haves and the have-nots; and powerlessness among the most vulnerable."

Peter Pennekamp

¹Delgado, G. (2005). "Zeroing in." A report to the National Rural Funders' Collaborative.

RURAL-URBAN CONNECTIONS AROUND PEOPLE, PLACE AND PROSPERITY

"How do we connect the dots across rural, urban, and suburban in ways that transcend differences and bring them together holistically, from a systems point of view, in order to promote well-being and reduce inequities between the haves and have-nots?"—Brian Dabson

ost of the links between rural and urban America can be grouped according to whether they relate primarily to people, place, or prosperity. (See box below for examples.) This offers a promising way to address communities' needs and priorities, because it transcends the categorical nature of traditional economic, political, and social structures—categories that have led to fragmented policies and ineffective actions. Viewing the world through the lens of people, places, and prosperity requires us to take into account the systemic connections between urban and rural and to appreciate how a problem or an intervention in one arena inevitably affects other domains.

EXAMPLES OF RURAL-URBAN CONNECTIONS...

...RELATED TO PEOPLE:

- Isolated rural and poor urban communities both have limited access to high-quality health care; rural-urban collaborations could work on system-level interventions in health care.
- Public education works least well in rural areas and inner cities. If they join together they could have the power to initiate state-level reforms in school financing that could benefit both.
- New immigrants move primarily to poor urban, rural, and suburban areas. Strategies for addressing immigration dynamics and immigrant needs could be more powerful if they were tested in all types of locations and shared.

...RELATED TO PLACE:

- National and state-level protections for clean water, air, and green space could be strengthened by finding collaborative strategies that balance urban, suburban, and rural needs.
- Increasingly, political power resides in the suburbs, and some state legislatures have more than 50% representation from suburbs. Rural and urban alliances around common interests could counter-balance suburban dominance.

...RELATED TO PROSPERITY:

- Urban and rural coalitions could work toward federal action to mitigate the effects of de-industrialization on workers and their communities.
- Recognition that people in rural, suburban, and urban areas live far from their jobs could strengthen commitment to improved investments in regional transportation and communications infrastructure.
- Sharing experiences around equitable economic development strategies such as using tax incentives to attract businesses to weak market communities, or successes around community benefits agreements could help both rural and urban economic plans.

While a systems-oriented framework is critical to building an appreciation and understanding of our shared fate, it is hard to operationalize without a strategic entry point for fundamental policy reform. The case statements that follow, drawn from discussion at the rural-urban meeting convened by the Aspen Institute, illustrate both the systemic connections between urban and rural places and some viable entry points for policy change. The first focuses on connections related to people (public education); the second on place (stewardship of the environment); and the third on prosperity (restructuring jobs). All three exemplify ways that deliberate rural-urban alliances can promote understanding and action on critical national priorities.

1. RURAL-URBAN CONNECTIONS AROUND PEOPLE: A LOOK AT PUBLIC EDUCATION

Low-income urban and rural schools are both failing their children at rates that far exceed suburban schools and threaten the quality of our future workforce. Fifty years ago, the average size of high schools was 300-400 students. Today, the average is 800 students, and it is not uncommon for rural high schools to have 2,000 students and for urban high schools to have as many as 4,000 or even 5,000 students. For reasons having to do with economies of scale,

desegregation, and desire for cafeteria-style academic offerings, schools have become large and impersonal. Although large high schools can work well in suburbs where they are well-funded and where the population is relatively homogeneous, for many urban and rural communities the effect has been disastrous. The quality of education declines, rates of behavioral problems soar, and up to half the students drop out of high school.

"When I started working in California, I was struck that Redding High School in rural Shasta County has just as much trouble getting their graduates into the UC system as Compton High School in South Central LA. The potential common cause is striking."

—Craig Howard

Moreover, the effect of school consolidation and failure on the surrounding communities is palpable. Rural students often travel more than an hour each way to get to their schools, and schools are no longer one of the central institutions in either rural or urban communities. As a result, parents are disconnected from the schools, and students are not being trained in ways that will connect to local development.

"The willingness of some communities to tax differently for education, and local options for voting on property taxes, mean that funding varies enormously from state to state. The higher you go in your percentage of school funding that comes through local property taxes, the more inequity you have in the system: the range goes from zero in support of education in Michigan to about 70% financed through local property taxes Pennsylvania."

— Rachel Tompkins

Inequities in public education are well-documented. A major factor is that public schools are financed primarily through local property taxes, so wealthier communities with valuable property have higher levels of school funding. And with the plentiful resources at their disposal, suburban school districts can always siphon off the best teachers from rural and urban areas.

The solutions undoubtedly lie at the state level, because the federal government provides only 6% of public education funding. In fact, the requirements of the federal No Child Left Behind Act make enormous demands on schools in terms of student achievement—expectations that

most educators would not quarrel with, except that the higher standards don't come with additional funds to cover the costs of pursuing them.

State-level alliances have their own set of obstacles, as a national education policy expert notes:

Pennsylvania has been unable to pass a decent improvement for the school finance system despite the fact that Philadelphia is in dire straits and rural places need help. They do not get together because Philly people talk about rednecks in the mountains, and mountain folks talk about both arrogant suburban folks who don't want to pay taxes and urban gun-totin' types. They play on each other's stereotypes and nothing happens.

Nonetheless, every state constitution says something about education—adequacy, access, or equity—and alliances do form in states, sometimes aided by national advocacy groups. Initial

successes have occurred in states as varied as Arkansas, Nebraska, and New York. In Arkansas, rural and urban constituents came together to pass major improvements in school financing that helped school districts in both locations. Similarly, in Nebraska, allies have learned that rural and urban must work together to address the inequities in both places. (See quote at right.)

But successes are fragile, and even court victories do not guarantee equity. The Campaign for Fiscal Equity in New York state, for instance, won the court battle but faces ongoing disputes over the amount of the settlement, and the legislature has yet to find and allocate the money.

"Nebraska has undergone an important change. We now have school superintendents in rural communities saying that poor black kids in the city have to have more money, even though the urban areas actually already have more money per pupil than the rural areas. And, at the same time, the urban school superintendents are saying that rural have the short end of the stick. The state legislature has put money for the first time in early childhood education because rural and urban have worked together. It doesn't look the same in both places, but it —Rachel Tompkins is a common issue."

2. RURAL-URBAN CONNECTIONS AROUND PLACE: STEWARDSHIP OF OUR COUNTRYSIDE

The natural resources of our country are increasingly contested. From one direction, there are demands on land and water for agricultural production, extraction industries, and other rural economic development needs. From another direction, as cities and suburbs grow, there are seemingly unchecked demands for land and water for housing, transportation, infrastructure, economic development, and household consumption. And still, at a national level, there is a desire to preserve our natural heritage and protect our environment. As we look ahead, our national challenge clearly is to move to a more effective balance among the economic, environmental, and social value of shared natural resources. This means that we must bring together urban, rural, and suburban interests in determining how we use land, air, and water.

These regions previously were seen as competing, but they now must be understood as systemically interdependent. Urban residents cannot consume natural resources unthinkingly and ship their waste back to rural areas. Suburban developers and residents must understand the toll that their expansion takes on the environment. For example, during the decade between

1988 and 1998, 190,000 acres of the Atlanta area's green space, forests, and farmland were plowed under to make way for new housing subdivisions, shopping centers, and highways—a loss rate of 500 acres per week. For their part, rural industries must also heed environmental concerns. Large industrial agricultural operations cannot continue to divert entire rivers for irrigation or store large concentrations of animal waste in ways that endanger water resources.

Mining operations cannot continue to deplete aquifers and wreck landscapes as an acceptable by-product of doing business.

"In Europe there seems to be a consensus that rural matters, and they have rural protection zones. Their national parks have farming areas within them; they preserve rural areas as working landscapes with access by visitors.

"In America, we have no metrics for counting how rural fits into the totality. What role does rural America play that can be valued by all? Food, air, water, landscape—the stewardship of that is important to everybody in the country.

"Perhaps the term 'rural' carries too much baggage, and we need a term that captures what we're really trying preserve—such as 'countryside.'"
—Brian Dabson

Healthy people and places thrive when there is balance between the built and natural environment. The interdependence between rural-urban profoundly affects that balance, for both good and ill. As we think about maintaining a healthy environment into the future, it is clear that the connections between rural and urban must be based on principles of equity, diversity, collective prosperity, and sustainability. How do we understand and act on such principles?

First and foremost, we must seek an accurate "eco-value" for our natural resources to justify public investment and protection. We need a new and different metric to calculate the value of natural resources, large and small, to the nation, one that reflects our evolving economy and shifting residential patterns. Certainly food production is and always will be a key dimension of that calculus, but that is not the only one. There is a public value to our natural resources that goes beyond what we produce and extract. It includes: maintaining a clean and safe environment for everyone; providing recreation for rural, urban, and suburban residents; preserving biodiversity into the future; and creating communities and neighborhoods where the built and natural environment are in harmony to the benefit of everyone, regardless of economic status. This, too, is part of preserving our nation's celebrated "spacious skies, purple mountain majesties, and fruited plains."

"The "enviros" care about good things, but many don't consider or understand the economics of rural areas. They want to lock it all up in an urban vision of rural that includes parks, farmers' markets, and preserves. It's the notion of rural as an empty space that they can go and visit, not of rural as a place with lively economies caring for the land and developing economies that invite urban people in to be a part of them or move to them. The urban folks give lip service to this but they don't really understand what it is to eke out a living in rural areas. There are land-use issues that are really class issues that could unite rural and urban if they were addressed more creatively."

To get to that point, we must overcome the long-standing tension between preservation and exploitation of our nation's natural resources.

This tension has often paralyzed our ability to see the need for balancing the two, and it has pitted rural against urban or one kind of rural interest against another.

For example, the success of the environmental movement has led to conservation of large areas of land, protections for places that are subject to over-exploitation, and improvements in degraded

or toxic sites in both urban and rural areas. Only now, however, are all the constituents of the environmental community coming to terms with the importance of "working landscapes" that are both economically productive and environmentally sound as a meaningful strategy that benefits rural people and rural places. At the same time, there is growing understanding of the value of preserving quality farmland close to urban centers that can provide local, high quality foods and provide open space. The smart growth movement is helping to draw attention to the need for more effective balance in the use of land, water, and air resources in urban and suburban areas.

Moreover, as one region learns, the other can benefit. For example, for 20 years a body of evidence has been developed about the qualities that make for healthy urban communities: mixed-use development, walkable neighborhoods, and efficient and affordable transportation, to name just a few. High-amenity towns in mountain and coastal areas have successfully incorporated this knowledge into their development plans, but other rural community leaders are only now beginning to understand and develop strategies that emphasize these distinctive small-town qualities. These include committing to supporting small businesses and entrepreneurs that can be a successful alternative to monotonous and exploitive national franchises and big-box shopping centers.

3. RURAL-URBAN CONNECTIONS AROUND PROSPERITY: GLOBALIZATION AND THE RESTRUCTURING OF JOBS

The massive restructuring of our national and global economy, and the subsequent restructuring of the labor market, underlie the biggest changes experienced by rural and urban residents over the last generation. During the second half of the 20th century, the number of workers in agricultural production declined by 53%. Agriculture now provides less

than 4% of all jobs in America and manufacturing only about 16%, while public and private sector service jobs account for about 60% of all earnings.

Whether in Dearborn (MI) or Danville (VA), urban and rural factory labor has declined significantly. Family-sustaining employment that doesn't require formal, advanced education—such as blue-collar jobs in manufacturing with decent wages and union protection—

"Globalization is making the issues of urban and rural the same. The connection between the global economy, access to technology, and the capacity to play in that game—which is the ONLY game—is going to get more and more intense. It's going to displace more people and more companies."

— Mac Holladay

is largely a thing of the past. Automation is one culprit, and the other is globalization. Every industry that can figure out how to move production to countries where wages are low is doing so and finding that the price of constructing new facilities, transporting inputs and products, and covering tariffs is worth the savings in U.S. labor costs.

Some communities, especially in the rural South, have already gone through two cycles of restructuring. They began as farming communities but turned to low-wage branch plant manufacturing in textiles and furniture during the mid-20th century. In time they, too, lost the ability to compete with the new South—South America and Southeast Asia. Parts of Crockett County (TN), for example, have completely emptied out. "What they sold was cheap land and cheap labor," an observer says. "Everything is gone now—including their pride and everything that was meaningful to them—and there's nothing replacing it."

The economy has also changed radically in the Northwest, notes Peter Pennekamp:

In 1965, resource extraction formed the backbone of the economy. In Humboldt County (CA), the timber industry employed 30% of the workforce. It now employs 4% of the workforce due to automation, over-exploitation of land and timber followed by reactive environmental regulations, increased value of competing uses for the land, and lower costs of timber production and processing overseas and Canada.

Industries that cannot relocate to lower-wage countries find ways to bring the cheap labor to them, says Mario Gutierrez:

The way the globalization phenomenon plays out in agriculture in California is not essentially different from the economic decisions of companies that go offshore for cheap labor. But you can't move the land, so you have to bring in cheap labor from other countries to keep the price of agricultural production low. This is why we all still pay the same prices for fruits and vegetables that we paid 20 years ago. The prices are being subsidized on the backs of the agricultural workers.

Developing strategies to address the impact of globalization on low-wage jobs will require effective rural-urban alliances. This will apply both to type and location of workers. Sectoral employment strategies in, for example, home health care will rely upon rural and urban workers joining together to advocate for decent wages and career ladders. Thinking differently about location is also critical. Economists and practitioners emphasize that it is at the regional level where employment strategies and policies need to be targeted. But the regional nature of economic opportunities and employment markets doesn't match political and historical decision-making boundaries.

It is increasingly evident that **leadership around jobs, economic development, and economic security will be coming from new and different kinds of partnerships at the regional and state levels.** State-level living wage campaigns are a prime example. As of July 2007, a full-time worker earning the federal minimum wage of \$5.85 per hour made \$12,168 a year, considerably less than that the poverty level of \$17,600 for a family of three. (Because the minimum wage is not indexed to inflation, its real value has declined 26% in real terms since 1979.) Many state-wide campaigns have resulted in state minimum wages that exceed the federal level by as much as two dollars.

Another example is recent state-level successes in health policy that emerged out of the work of statewide coalitions. Maryland legislators recognized that states are often left covering the health costs of low-wage, hourly workers without health insurance (notably those in retail). They passed a law requiring employers with 10,000 or more employees in the state to spend at least 8% of their payroll on health insurance or else pay the difference into a state Medicaid fund. Rural-urban state alliances have spawned innovative efforts to support workers with little education and training who are confined to precarious, low-wage jobs without benefits or security, and their power has increased pressure for similar changes at the federal level.

HOW TO CATALYZE CHANGE: FIVE ACTION STEPS FOR LEADERS OF THE FIELD

"Some of the people I most admire in the world of policy innovation have been telling me that the catalyst that will get us thinking differently about a new opportunity and equity agenda is this issue of bridging the "rural-urban divide." I never really understood what they were saying, but now I get it—it's the thing that can take us to where we need to go."

— Leobardo Estrada

or leaders in the social and economic development arena, coming to terms with the fundamental shifts described in the preceding pages isn't merely about accepting that the context of our work has changed. It requires a complete rethinking of the effectiveness of strategies that we typically pursue to promote change. Specifically, the new reality challenges our assumptions about *how* change occurs and about the instruments that well-meaning policymakers and practitioners can and should use to achieve their desired outcomes. It requires us to **step outside our comfort zone, beyond our familiar mental models for how to promote strategic, intentional change in America.** We must reexamine our tendency to advocate only within existing policy parameters, negotiate only with known power brokers, support comfortably familiar organizations and projects, under-attend to regional and global market forces, and avoid complex, systems-level interactions.

Today's actions can no longer be organized around and limited by yesterday's policy structures. If we continue to work within the constraints of the old paradigm, we virtually guarantee the continuation of outcomes such as lousy education, abandoned communities, poor health and well-being, environmental degradation, racial inequities, and loss of good jobs in the 21st century's global economy.

Instead, we need new strategies and alliances. In particular, a new alliance between rural and urban people and places has enormous potential to catalyze better ideas. It is increasingly clear that not only are the fates of rural and urban people and places linked, these links grow stronger as globalization, de-industrialization, suburbanization, and climate change accelerate. They provide an entry point for creative new strategies for people, place, and prosperity that cross political boundaries, value systems, and economic theories. Five strategies should form the basis of our future work.

1. REDEFINE RURAL, URBAN, AND SUBURBAN INTO MEANINGFUL REGIONS

Political boundaries developed in the 1800s and 1900s still operate today, and they obstruct our ability to think "outside the box" when it comes to

"I've never heard of a flood that stopped at a county line." — Mikki Sager

21st-century dilemmas. Specifically, the political and administrative units that govern how public funding is allocated and how economic plans are developed often generate problematic policies and practices.

The Census Bureau defines two types of counties in America: urban and, then, the residual, which encompasses everything else but goes by the name of rural. This practice functionally equates suburban and rural areas. Most analysts agree that counties are an outdated unit of analysis and are not a useful platform on which to organize policy and practice. They vary

greatly in size. They are not comparable across the country, so it is not possible to compare a county in, say, Maryland with a county in California. And they do not reflect the economic, infrastructure, and other types of integration that occur across county borders.

Recognizing this problem, the federal Office of Management and Budget has developed a categorization that acknowledges the differences among non-urban areas and the complex economic and social interactions between rural and urban areas. But OMB definitions are inadequate, too. They lead to anomalies where counties described as "metropolitan" can be huge and, as it happens, can even include the Grand Canyon.

"We are now comfortable with the term 'suburban.' Yet there are a large number of people who are not completely rural, who could best be described as "sub"-rural or as living in third-rate suburbs. Two-thirds of rural Americans live in these sub-rural conditions and we have no public recognition or policy strategies for them. We have ignored them by equating non-urban with rural.

"Most of the rural counties that are thriving and growing are near metro regions. Where there is this proximity, these communities are going to have to make a fundamental decision: Do we stay distinctly rural or do we suburbanize?"

— Jason Gray

There are more meaningful ways of dividing our geography, ways that hold promise for improved policymaking—especially as we abandon our outdated views of "place" and of how communities operate. Environmentalists, for example, use the term "shed" to describe naturally occurring regions (e.g., watershed, airshed). A comparable economic term might be "laborshed," which would more accurately describe business activity and the relevant employment patterns. There are other ways to understand and measure places, including using precinct data, dominant market area data (market research looking at media penetration), or commuting data. Innovative planners and economic development experts often integrate a variety of data in order to get an accurate picture of a region.

"The problem with defining reasonable regions is that we always want one measure. My company's most successful effort at defining meaningful regions was when we were working in West Virginia and we developed a matrix of measures to try to figure out what the regions of West Virginia were. They included the hospitals with over 100 beds, the community colleges, the university locations, the two- and four-lanes highways, the airports, the population and Census data, the location of Walmarts (which told us where the retail and commercial centers were). You can't look at one thing, you have to look at 20 things."

— Mac Holliday

The regionalism/smart growth movement has begun to advance many of the issues raised here. By introducing a regional framework for promoting cities' vitality and for thinking responsibly about "smart growth" and "equitable development," regionalism has provided a venue for rethinking our political, economic and environmental boundaries. But in order to take full advantage of the opportunity created by the regionalism movement to advance the rural-urban agenda, more work must be done to ensure genuine incorporation of the rural reality (especially the rural economy) into the regionalism framework.

2. DEVELOP NEW CHAMPIONS AND NON-TRADITIONAL LEADERSHIP

Over the last two decades, both rural and urban areas have lost civic capacity and political power vis-à-vis the suburbs. Fifty percent of the U.S. population now resides in the suburbs. The Texas state legislature exemplifies this phenomenon neatly: 25% of its members come from rural areas, 25% from urban areas, and 50% from the suburbs. Furthermore, most suburbs are homogeneous, predominantly white communities, although the proportion of residents of color is growing.

Rural areas have experienced a loss of local leadership due to out-migration of talent. Indeed, in the words of one observer, "one of the principal exports from rural communities is educated youth." Although rural areas have always had fewer businesses, non-profits, universities, and civic groups, the local institutional leadership has weakened even more as many land-based agencies have closed down in rural areas. The civic and social benefits of having the regional officer of the bank, the power company, and other parts of the private sector reside locally are gone. With the consolidation of schools, education professionals have also left. Community organizing is not as strong a tradition in rural areas as it is in urban areas, and faith-based institutions rarely act as agents of structural change. Thus rural leadership has few vehicles for replenishing itself.

Although the civic capacity of central cities is not as depleted as in rural communities, the middle class has abandoned many urban neighborhoods and moved to the suburbs. In some cities, the most prominent institutions that remain are public service agencies, bodegas, churches, and the police. The tax base of many urban centers has declined; some core neighborhoods in major cities have seen virtually no investment in amenities, schools, or commercial development for many years.

Where will new leadership and civic capacity come from? Neither urban nor rural alone has the ability to take up a change agenda for all Americans. Rural and urban joined together, however, can take up a new opportunity agenda that stands for everyone. We need leadership that is comfortable with the systemic interconnections among issues to guide us effectively through the next generation of social, economic, environmental, and political issues. Rural-urban partnership offers one way, and one potentially powerful way, to break down traditional barriers to change, bringing together people and places in one common vision of a healthy

"People are desperate for thinking that gets us into today and out of the 1930s view of American communities. This is why the idea of the rural-urban intersection has begun to take off—and leadership at a ripe moment like this can make a huge impact." — Peter Pennekamp

America. This kind of untraditional thinking requires a new class of creative, well-informed leaders.

A vanguard group of 100 leaders who identify as boundary spanners would be enough of a start, in the near term, to infuse this discussion at the regional, state, and national levels. These leaders must be drawn from the policy and practice arenas in the sectors that highlight

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²Burnett, K., and Gray, J. (2004). "Ruban: Bridging economically isolated rural and urban communities." Baltimore, MD: The Annie E. Casey Foundation.

the strongest rural-urban connections. They would be asked to further develop this integrated rural-urban framework, test it within their own settings, seek innovative solutions that reflect the concept of a shared fate, and carry the message to their constituents. The group would need to be composed with the following considerations in mind:

- Priority issue areas are in the economic development, environment, employment, health, and education fields.
- Priority should be placed on bringing in people with direct policy experience at the state and federal levels, especially those who have worked with legislatures.
- This set of issues is a "next generation" concern, so a priority should be placed on youth.
- The populations of many of the communities we are concerned about are people of color, so priority should be given to developing leaders of color from those rural and urban areas that are of greatest concern.

"There is now a number of 'expatriate'
African Americans who left rural areas
because they were excluded from good
education and good jobs, who are now
returning and forming a key part of the
civic infrastructure of the rural South.
Moreover, there is a new generation of
African-American leadership in the
South that is thinking afresh about
economic development." — Mikki Sager

Perhaps the richest potential new source of leadership lies in the Latino community.

Latinos have now surpassed African Americans as the largest minority group in the country, and their proportion will continue to grow due to immigration and higher fertility. Heretofore, Latinos have been largely invisible on the national policy agenda because of their occupational segregation into agriculture and domestic or low-wage service/industrial jobs, their undocumented status, language barriers, and so on—especially in the Southwest and large urban centers. Latinos' exploitation certainly continues, but the groundwork has been laid for a significant increase in the economic and political power of Latinos in both rural and urban areas. The victory of Antonio Villaraigosa as mayor of Los Angeles was an important turning point in the ascension of the Latino voice in the political arena.

Latinos also are changing the face of rural America. During the 1990s, the rural Latino population grew by 60%. Latinos branched out into the South, the Plains states, and the

"I see the Latino revitalization of rural America. Latinos are becoming the ownership class in small towns across the United States, especially in the South. In more and more communities, Latinos are in charge of things, rather than just workers."

Leobardo Estrada

Northwest, attracted by jobs in the meat processing, dairy, and timber industries. Now they are purchasing land and homes, creating new communities, and assuming civic leadership roles in many regions where the white population is aging or moving out.

3. SUPPORT, LEARN FROM, AND DISSEMINATE LESSONS FROM EMERGING RURAL-URBAN PARTNERSHIPS

There are instances in which federal or state leaders have worked together on policy issues that affect both rural and urban areas. Where have these "strange bedfellows" come together? What lessons have been learned? What worked and what didn't work? What are the implications for future partnerships? Is there an opportunity to create an infrastructure for ongoing rural-urban cooperation on similar or new issues? Is there a way to tackle otherwise intractable issues through the lens of rural-urban interdependency? **Highlighting these partnerships will not only teach us important lessons, it will give us a sense of the partnerships' power and legitimacy.** Moreover, pulling multiple cases together will allow us to demonstrate that collectively they carry enough weight to deserve attention.

The following contemporary examples of rural-urban collaborations show the kinds of lessons we might glean for future work:

- Water—New York City is a major rural landowner around reservoirs in upstate New York, and the City has a direct interest in preserving the quality of the environment around the water. The city's partnership with rural areas can teach us something about managing natural resources regionally and nationally.
- **Public education**—In Nebraska, rural and urban advocates have joined together to promote greater equity in school funding across the state. Given the crisis in public education throughout the country, the story of how these partnerships formed and what they have done for children across the state might have broad applications.
- Economic supports for poor families—Several states have formed nontraditional coalitions around minimum wage, health benefits, the Earned Income Tax Credit, and other supports for low-wage workers.
- Community forestry—Small timber operators, ranchers, and environmentalists are beginning to collaborate with advocates and policymakers who focus on local and state economic development to devise strategies that are both economically and environmentally viable. In community forestry, for example, various constituencies work together to develop policies and practices that allow for the harvesting of timber and other forest products in ways that both provide a livelihood for rural residents and ensure the forests' long-term viability.
- Affordable housing—Housing advocates have consistently cast a wide net when forming coalitions to protect the Low-Income Housing Tax Credit and other affordable housing strategies that serve both rural and urban residents.
- Immigration reform—Various issues will emerge to keep race and ethnicity on the public screen. Wherever racial/ethnic groups come together around basic issues of rights and well-being there are rich opportunities to demonstrate effective rural-urban partnerships. Among these is the formation of advocacy groups around immigration

issues. The emergence of Latino leadership in both rural and urban areas, and the linkages provided through groups such as the National Association of Latino Elected Officials and the National Council of La Raza merit closer study.

• **Growing and consuming healthy food**—The movement toward sustainable agricultural production is joining forces with those who are promoting healthy eating habits among urban residents. In some innovative experiments, rural areas near cities produce healthier and organic foods that can be easily transported to urban neighborhoods that would otherwise rely on large corporate food distribution systems. Farmworkers' occupational health is better, urban consumers' health is improved, packaging and transportation are reduced, and food is produced in an environmentally sound manner.

In-depth case studies of 10 to 15 effective rural-urban collaborations, partnerships or coalitions, illustrating several policy priorities, would be enough to suggest lessons about how to promote similarly innovative work on other key issues. The case studies would be organized to provide answers to the following questions:

- What was the history of the policy issue in question, and what obstacles kept policy from being designed or implemented effectively?
- What was the urban perspective on this policy issue? What was the rural perspective?
- Was the final strategy a successful and deliberate rural-urban collaboration?
- How was each constituency brought on board?
- What were the messaging/public relations strategies?
- Who took leadership?
- What role did traditional advocates play? Grassroots organizers? Policy analysts? Inside players? Bureaucrats?
- What failures occurred along the way and what lessons were learned?
- What generalizable lessons could be applied to future policy-change strategies?
- What lessons that could be applied to the three priority areas discussed in this essay (public education, stewardship of our countryside, and increasing high-quality employment given global economic restructuring)?

Finally, it would be instructive to select an issue around which there are clear rural-urban interrelationships but few effective coalitions. The purpose is to elucidate how a policy issue loses momentum, creativity, and constituents when it exists in a narrow or siloed domain.

One such issue might be rural prisons. The number of incarcerated Americans grew tenfold during the last 50 years. In rural areas, prisons provide an economic boost in the form of facilities construction, service jobs, and management jobs. They also provide a political boost, because prisoners are counted for apportionment purposes in rural communities. It is no surprise, therefore, that 245 new prisons opened in rural areas during the 1990s.³ However, there is evidence that the post-construction employment effects of prisons in rural areas are weaker than hoped for. Most of the new jobs do not pay family-supporting wages, and the trend toward privatized prison management siphons off profits.

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³Delgado, G., op. cit.

In some urban neighborhoods, meanwhile, the imprisonment rate is so high that whole communities lose fathers, sons, and brothers. (This is especially true in communities with a large proportion of African-Americans, who represent only 13% of the total U.S. population but 46% percent of the prison population.) In fact, there are some places where the cost of incarcerating residents from a single block exceeds \$1 million, most of which goes to the economies of rural areas with prisons.⁴ How would we, as a nation, prefer to spend that \$1 million?

The Southern Rural Development Initiative proposes that rural communities "pursue prisons out of desperation, not choice" because of the loss of farm and manufacturing jobs. "With traditional economic developers and politicians touting prisons, and community economic development practitioners unable to compete at scale, rural people believe they have no alternatives," SRDI says. The challenge is to combine the wisdom and assets of rural leaders with that of many partners at the state, regional, and national levels to find viable alternatives.⁵

BRINGING BROADBAND TO RURAL CALIFORNIA: RURAL AND URBAN INTERESTS COME TOGETHER AROUND A CURRENT POLICY ISSUE

The population of the State of California is projected to grow from 37 million today to 50 million by 2030. State policymakers and planners, all too aware of the infrastructural and environmental costs of urban and suburban growth, know they must find alternative strategies that help Californians live and find livelihoods anywhere in the State, including rural areas. A precondition will be to have broadband universally available. Currently, many of California's rural counties do not have access to advanced telecommunications services, or only at a very high price. As explained by Mario Gutierrez, "What rural electrification was for the 1940s, broadband availability will be for the 21st century. It will determine economic opportunity in the future, and it is perhaps the most important economic equity issue out there right now."

When the Governor launched an initiative to plan for the future of the Californian economy, researchers, planners, foundations, and advocates saw an opening to bring together rural and urban constituencies around deploying broadband throughout the state. They worked to raise awareness of the pay-off of investment in telecommunications infrastructure as a key to the economic vitality of both rural and urban regions of the state. They testified at regional meetings and at the Governor's cabinet. Finally, a state-level meeting resulted in the establishment of a Governor's Task Force to work on the issue.

The Governor's Task Force put into immediate effect 22 changes in state administrative and regulatory practice that reduced obstacles to and encouraged establishment of broadband access in rural areas. All state agencies are now required to have a plan for how they are going to use their local offices to help provide broadband service to their communities. So, for example, a school might bring telecommunications infrastructure to the building and then make it available to the community. All state buildings are now permitted to have wireless antennas. The fees charged by the railway system to locate a fiber optic cable on the railway right of way have been disallowed.

The state legislature has joined the process by allowing all service districts—which were specially created to deliver water, sewerage, and so on to small and unincorporated areas—to provide broadband as well.

This unusual and vigorous set of state-level strategies came about because key leaders understood the relationship between rural and urban areas. Their sensitivity to balancing economic, demographic, and environmental concerns opened an opportunity to look for innovative solutions that work for the entire state.

- Peter Pennekamp

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⁴See the work of The Justice Mapping Center, http://www.justicemapping.org.

⁵See http://www.srdi.org.

4. BUILD THE RURAL-URBAN ADVOCACY AGENDA AROUND UPCOMING POLICY OPPORTUNITIES

Looking over the horizon permits us to see emerging policy reform agendas that could bring rural and urban advocates together and demonstrate the merits of partnership and collective action. These include alliances around health care, banking regulations, and land use policies.

The first step would be to map the organizations that are engaged in advocacy from the rural and urban perspectives on such issues as economic development, poverty, and home ownership. Are there any organizations that represent both urban and rural constituents? If not, who are the go-to advocacy organizations for each constituency? Are there opportunities to bring them together?

In addition, there are policies and laws currently in place that need effective coalitions to ensure their reform, reauthorization, or effective implementation. Rural-urban partnerships could be formed right now around such topics as:

- Reauthorization of the Farm Bill. Some cracks in the consensus supporting crop price supports emerged during the negotiations around the reauthorization of the Farm Bill in 2007-08. As it becomes clear to the public that only a small number of corporate and individual farmers reap the vast majority of benefits from the Farm Bill, openings for future policy reform become clearer, such as using federal funds to support more holistic rural development strategies.
- Community development and housing programs. The HUD budget for community housing and development programs, such as the Low Income Housing Tax Credit and the New Markets Tax Credit, are vehicles to assist both urban and rural efforts aimed at the poorest communities. Cross-regional coalitions around these bills help to produce wins for all poor communities and are opportunities to build coalitional advocacy capacity on a number of issues.
- *Transportation and infrastructure*. The Intermodal Surface Transportation Efficiency Act (ISTEA) was reauthorized in 2005. Its implementation at the state level offers many opportunities for rural-urban

"There's a huge chunk of money tied up in that DOT mitigation policy: \$330 million in North Carolina for two years. In Georgia, they have a billion-dollar backlog and haven't spent the money." — Mac Holliday

coalitions to ensure environmentally and economically sound planning. Similarly, the Department of Transportation provides mitigation funds for environmental purposes when roads are built in rural areas, and these represent a significant amount of money for sustainable economic development activities.

5. WORK WITH PRACTITIONERS TO TEST AND DISSEMINATE THE POWER OF THE RURAL-URBAN FRAMEWORK

The new vision and framework presented in this call to action has the potential to resonate broadly, but action steps are likely to be developed by those who are carrying out the work on the ground. As a result, it will be important to **develop deliberate strategies to reach out to advocates and practitioners, support them as they carry out their work, and distill the lessons from their efforts into knowledge that can be used by others in the field.** Outreach to leaders in the fields of social welfare, economic development, and democratic governance in both rural and urban areas can help us test and validate the ideas with critical constituents and incorporate them into mainstream advocacy and practice. Three types of organizing efforts will create momentum to carry the rural-urban framework forward:

- Convene practitioners working in the most promising arenas described above (public education, health, employment, environmental protection, transportation, community development) to test the power of rural-urban partnerships. Ask them to reflect on what new opportunities might emerge if they joined forces more deliberately with their counterparts, and design action steps.
- Convene advocates working on current or emerging policy issues (such as the Farm Bill, ISTEA, the Community Development Block Grant, the New Markets Tax Credit) to brainstorm about potential links with nontraditional policy partners. Select one priority issue as a prototype for developing new advocacy strategies, including identifying who those new and different allies might be.
- Select a prototype region for rural-urban collaboration—a place where rural-urban issues are already salient, such as Fresno (CA). Convene leaders to analyze a range of key social and economic topics through the lens of rural-urban connections. Develop a workplan with researchers, practitioners, and advocates to produce short, medium, and long-term policy and action agendas; seek flexible funding to pursue key elements of the agenda; and implement as many elements as possible over a test period. Use a research and evaluation protocol to track, analyze, and distill lessons about how powerful the rural-urban framework is and what approaches work best for specific purposes.



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his paper was sparked by a discussion among a small group of creative people who met for three days in August 2005 to brainstorm about the future of American communities. Their goal was to define a framework that could promote greater equity and a healthy democracy in the face of the profound changes implied by 21st-century demographic, environmental, economic, political, and cultural trends. The group reexamined basic assumptions about rural and urban communities that underlie social and economic policies and highlighted those that no longer seem to apply. They identified priority issues for attention that would emerge if those assumptions were cast aside and if future policymaking reflected the new reality of American communities. They concluded with recommendations for how to move forward with a new policy framework that promises to promote healthy and vibrant communities and to improve the well-being of rural and urban Americans, especially those who are most vulnerable: the poor and working classes, children, the elderly, and people of color.

Since that initial meeting, the theme of "Our Shared Fate: Bridging the rural-urban divide creates new opportunities for prosperity and equity in America" has begun to gain traction. The authors of this report have tested the ideas described in this paper in a number of forums, and they have been validated and further developed. The authors have concluded that the time has come to share these themes widely to inform and fuel future discussions.

We must credit our group members for much of the content of this paper. They are academic, policy, philanthropic, and practitioner leaders with a cross-section of expertise relevant to individual, family, and community well-being in rural and urban areas. They share a deep commitment to justice, equity, and prosperity for all Americans, and they generously applied their wisdom and energy to the challenges presented in this report. The group members were:

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ADDENIDTY.

APPENDIA:	
OUTDATED ASSUMPTIONS AND NEW REALITIES AB	OUT URBAN
AND RURAL AMERICA	

About work, poverty and mobility...

Outdated Assumptions

- The majority of rural Americans work on farms.
- The majority of urban Americans work in manufacturing jobs that provide a living wage and good benefits.
- Urban areas are a place of upward mobility for poor and working classes.
- Poverty is mostly an urban problem.

About residence...

- Most rural people live in the country.
- Both rural and urban residents live close to their jobs; suburbanites commute.
- People must live near their jobs.
- Housing is affordable and available in inner city and rural areas.
- Housing is a source of asset accumulation for the working class.

About demographics...

- White European-Americas are the country's dominant demographic group.
- African Americans and Native Americans are the significant minority groups.
- Immigrants live in urban areas and along the nation's borders.

Current Reality

- 4% of rural employment is in agriculture.
- The majority of both urban and rural workers are employed in public or private services.
- Manufacturing represents 16% of employment, and is about the same in both urban and rural areas.
- Low-wage service jobs that do not sustain families are the major sources of job growth in both urban and rural areas.
- Thriving urban areas are squeezing out the middle class.
- The proportion of rural residents who are poor is higher than the proportion of urban poor, and poverty is growing in first-tier suburbs.
- 51% of rural people live adjacent to urban areas, next to the suburbs.
- Both rural and urban workers travel increasingly long distances to get to their jobs in cities, suburbs, or distant communities.
- The Internet has freed skilled workers from location dependence; workers now can change residence for quality-of-life reasons.
- Gentrification and suburban development are squeezing out affordable housing in hot markets for both urban and rural residents.
- Housing is a net wealth loser for those in weak markets and for those who have taken out sub-prime loans.
- The U.S. population is increasingly diverse, with the white majority fading in many urban and rural areas.
- Latinos are now the largest minority; Asians are also growing rapidly.
- Immigrants are settling in rural areas, small towns, and suburbs across the country, providing an economic engine in many otherwise weak market areas.

Outdated Assumptions

Current Reality

About governance...

- Rural and urban are independent, and their relations are mercantile.
- Political jurisdictions have power and control over their own resources.
- Political interests pit rural against urban.
- Counties are meaningful economic, political, and geographic units.

Rural and urban are interdependent; their fates are intertwined.

- Change requires alliances across political jurisdictions.
- Common interests and circumstances can bring rural and urban together.
- Together, rural and urban have potential to counter-balance the power of the suburbs.
- County boundaries sometimes misrepresent local economic and environmental realities and limit regional thinking.

About resources...

- Natural resources can sustain the country's economic and demographic growth.
- Rural people have primary responsibility for caring for our natural resources.

About health and education...

- Our health status is improving.
- Health care is provided locally.
- Health care is a benefit provided by employers.
- Public education is a route to social mobility.
- Rural schools are good; urban schools are bad.

- Natural resources are limited, stressed, and used inefficiently.
- Urban consumption, suburban growth, and agricultural exploitation means everyone must join together to steward our natural resources.
- The health status of the poor in both urban and rural areas lags far behind middle and upper classes and, by some measures, is worsening.
- Health care is increasingly centralized in regional hubs, specialty centers, and telemedicine. Many rural areas have no local doctors or health centers.
- Employers are assuming less and less responsibility for health coverage.
- Public schools in poor rural and urban areas have similarly low test scores and graduation rates, and reinforce social stratification.