Rural Missouri: Beliefs and Reality

MEDC FALL CONFERENCE, OCTOBER 2017

SHARON GULICK AND PAT CURRY

EXTENSION COMMUNITY ECONOMIC AND ENTREPRENEURIAL DEVELOPMENT PROGRAM
Survey Partners

Lead Organizations
- Missouri Rural Development Partners
- University of Missouri Extension
- University of Missouri, DASS/Rural Sociology
- Missouri Department of Economic Development

Support Organizations
- Associated Electric Cooperatives/Rural Missouri Magazine
- Missouri Municipal League
- Missouri Economic Development Council (MEDC)
- Missouri Dept. Health & Senior Services
- Ameren
- Missouri Community Betterment (MCB)
- Missouri Farm Bureau

Other Distribution Sources
- Local Newspapers and radio
- Social Media
Respondent Characteristics

• **High Educational Attainment** – 55% have a college degree compared to 27% for Missouri, 25% have an advanced degree compared to 10% for the State.

• **Large Proportion of Community Leaders** – 32% belong to a local/regional economic development association, chamber, nonprofit, etc. and 16% served as a board member.

• **Diverse Employment** – 50% employed full-time, 19% retired, 14% own/manage a business, 11% own/manage a farm, 15% work in the not-for-profit sector (multiple selection possible)

• 62% are Female

• Average age = 53.8 years, Median = 55 years, Range = 16 to 91 years

• 93.7% White, 2.3% Hispanic
Responses by County
<table>
<thead>
<tr>
<th>Source</th>
<th>Local Events</th>
<th>State and National Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conversations with People in My Community</td>
<td>80.6</td>
<td>32.7</td>
</tr>
<tr>
<td>Print Newspaper</td>
<td>70</td>
<td>28.1</td>
</tr>
<tr>
<td>Social Media</td>
<td>62.1</td>
<td>48.4</td>
</tr>
<tr>
<td>Radio</td>
<td>56.3</td>
<td>51.1</td>
</tr>
<tr>
<td>Local TV</td>
<td>54</td>
<td>57.3</td>
</tr>
<tr>
<td>Community/County Website</td>
<td>41.4</td>
<td>12.6</td>
</tr>
<tr>
<td>Online Newspaper</td>
<td>37.8</td>
<td>45.7</td>
</tr>
<tr>
<td>Cable News Channel</td>
<td>18.9</td>
<td>48.2</td>
</tr>
<tr>
<td>Talk Radio</td>
<td>17.6</td>
<td>29.1</td>
</tr>
</tbody>
</table>
The Office of Management and Budget publishes the official standards for classifying counties.

- Metropolitan Central (15) counties have an urban area with a population of at least 50,000.
- Metropolitan Outlying (19) counties have at least 25% of the employed workforce commuting to a Metropolitan Central county.
- Micropolitan Central (17) counties have an urban area of at least 10,000 but less than 50,000.
- Micropolitan Outlying (5) counties have at least 25% of the employed workforce commuting to a Micropolitan Central county.
- Rural (59) are counties that do not meet the standards for other classifications. No city of 10,000 or more.

Source: See [http://www.census.gov/population/metro/](http://www.census.gov/population/metro/) for definitions
My community is doing fine and does not need to change

[Bar chart showing percentage agreement and disagreement with the statement for different areas: Metro Central (75.2% agree, 10.4% disagree), Metro Outlying (75.9% agree, 10.2% disagree), Micro Central (81.9% agree, 4.9% disagree), Micro Outlying (85.7% agree, 7.1% disagree), Rural (84.4% agree, 5.4% disagree).]
My community is forward-looking and open to improvement

- **Metro Central**: 24.8% disagree, 60.4% agree
- **Metro Outlying**: 30.7% disagree, 46.7% agree
- **Micro Central**: 31.8% disagree, 52.3% agree
- **Micro Outlying**: 38.1% disagree, 47.6% agree
- **Rural**: 36.2% disagree, 46.1% agree

Legend: Red = Disagree, Blue = Agree
My community has a clear plan for the future

- Metro Central: 32.2% Disagree, 39.9% Agree
- Metro Outlying: 29.7% Disagree, 41.1% Agree
- Micro Central: 34.9% Disagree, 37.3% Agree
- Micro Outlying: 21.4% Disagree, 57.1% Agree
- Rural: 25.2% Disagree, 46.7% Agree
I have an opportunity to join community development efforts

<table>
<thead>
<tr>
<th>Category</th>
<th>Agree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metro Central</td>
<td>63.5%</td>
<td>16.9%</td>
</tr>
<tr>
<td>Metro Outlying</td>
<td>59.4%</td>
<td>22.6%</td>
</tr>
<tr>
<td>Micro Central</td>
<td>60.3%</td>
<td>19.6%</td>
</tr>
<tr>
<td>Micro Outlying</td>
<td>47.6%</td>
<td>23.8%</td>
</tr>
<tr>
<td>Rural</td>
<td>60.1%</td>
<td>18.0%</td>
</tr>
</tbody>
</table>
There are not enough people willing to serve as leaders and volunteers in community organizations.
Local elected officials do a good job of providing leadership

- Metro Central: 54.3% Agree, 30.7% Disagree
- Metro Outlying: 54.0% Agree, 28.7% Disagree
- Micro Central: 52.8% Agree, 31.1% Disagree
- Micro Outlying: 50.0% Agree, 33.3% Disagree
- Rural: 53.6% Agree, 31.6% Disagree

Disagree | Agree
The community has the financial capacity to support and maintain a sound infrastructure - roads, bridges, sewer, water, etc.
There is access to Broadband/High Speed Internet

- Metro Central: 58.6% Agree, 33.4% Disagree
- Metro Outlying: 50.6% Agree, 41.8% Disagree
- Micro Central: 49.2% Agree
- Micro Outlying: 59.5% Agree, 31.0% Disagree
- Rural: 46.9% Agree, 43.5% Disagree
Affordable rental housing is available

- Metro Central: 39.6% Disagree, 46.3% Agree
- Metro Outlying: 38.9% Disagree, 43.1% Agree
- Micro Central: 44.6% Disagree, 40.4% Agree
- Micro Outlying: 50.0% Disagree, 31.0% Agree
- Rural: 45.4% Disagree, 38.0% Agree
Affordable single family homes are available

- Metro Central: 62.0% Agree, 33.1% Disagree
- Metro Outlying: 56.7% Agree, 31.6% Disagree
- Micro Central: 53.6% Agree, 37.3% Disagree
- Micro Outlying: 50.0% Agree, 42.9% Disagree
- Rural: 51.7% Agree, 37.9% Disagree
The downtown area in my community is well-maintained

- Metro Central: 67.8% Agree, 22.7% Disagree
- Metro Outlying: 57.4% Agree, 30.4% Disagree
- Micro Central: 58.5% Agree
- Micro Outlying: 47.6% Agree, 40.5% Disagree
- Rural: 52.9% Agree, 36.9% Disagree
Our community supports its local businesses

- Metro Central: 19.6% Disagree, 69.6% Agree
- Metro Outlying: 24.6% Disagree, 64.0% Agree
- Micro Central: 23.4% Disagree, 64.7% Agree
- Micro Outlying: 23.8% Disagree, 61.9% Agree
- Rural: 27.0% Disagree, 57.1% Agree
The workforce skills of the community members match local employer needs

<table>
<thead>
<tr>
<th>Region</th>
<th>Disagree</th>
<th>Agree</th>
</tr>
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<tbody>
<tr>
<td>Metro Central</td>
<td>35.6%</td>
<td>43.3%</td>
</tr>
<tr>
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<td>33.1%</td>
</tr>
<tr>
<td>Micro Central</td>
<td>44.8%</td>
<td>35.5%</td>
</tr>
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<td>50.0%</td>
<td>19.0%</td>
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<td>44.7%</td>
<td>30.1%</td>
</tr>
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Training opportunities are available to community members interested in improving their workforce skills.
In the last 10 years, poverty has increased in my community
It is likely that the economy of my community will improve over the next 5 years
There are many jobs available that pay a living wage.
Sufficient employment opportunities exist in my community
My community invests adequate resources in new business development

- Metro Central: 40.2% Disagree, 32.8% Agree
- Metro Outlying: 55.0% Disagree, 20.7% Agree
- Micro Central: 46.4% Disagree, 31.8% Agree
- Micro Outlying: 69.0% Disagree, 11.9% Agree
- Rural: 65.5% Disagree, 14.3% Agree
### What are the Best and Most Challenging Things about your community

<table>
<thead>
<tr>
<th>Best Things</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of Life, good</td>
<td>1,514</td>
</tr>
<tr>
<td>Natural Environment</td>
<td>268</td>
</tr>
<tr>
<td>Crime, low</td>
<td>202</td>
</tr>
<tr>
<td>Schools, good</td>
<td>158</td>
</tr>
<tr>
<td>Cost of Living Low</td>
<td>114</td>
</tr>
<tr>
<td>Retail</td>
<td>51</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>47</td>
</tr>
<tr>
<td>Business Development</td>
<td>37</td>
</tr>
<tr>
<td>Healthcare Access</td>
<td>31</td>
</tr>
<tr>
<td>Quality jobs</td>
<td>30</td>
</tr>
<tr>
<td>Taxes, low</td>
<td>21</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Most Challenging Things</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of Life, poor</td>
<td>449</td>
</tr>
<tr>
<td>Quality jobs, lacking</td>
<td>439</td>
</tr>
<tr>
<td>Retail</td>
<td>236</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>227</td>
</tr>
<tr>
<td>Healthcare Lim. Access</td>
<td>137</td>
</tr>
<tr>
<td>Internet &amp; Cell Phone</td>
<td>134</td>
</tr>
<tr>
<td>Leadership, lack of</td>
<td>126</td>
</tr>
<tr>
<td>Drugs</td>
<td>124</td>
</tr>
<tr>
<td>Poverty</td>
<td>116</td>
</tr>
<tr>
<td>Business Development</td>
<td>109</td>
</tr>
<tr>
<td>Prejudice</td>
<td>101</td>
</tr>
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<tr>
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<td>Infrastructure</td>
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<td>Taxes, low</td>
<td>Prejudice</td>
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<td></td>
<td></td>
</tr>
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</table>
Magic Wand

• More jobs opportunities; higher wages; benefits
• Upgrade infrastructure (water/sewer/electrical/internet/roads/ sidewalks)
• Economic Development to spur growth in jobs and businesses; improve business climate
• Eliminate drugs and crime
• Eliminate poverty
• Decent affordable housing
• Internet access/affordability
• More engagement of local folks and more leadership/vision!
Other Comments

• I hope the results given in this survey assist in creating a positive program or something to aid Rural Missouri.

• When an idea is brought up the most common answer is "that can't be done or that's not the way we do it here". Why not?

• Don't just ask but start actions to follow-up survey responses, thanks.

• Please Help!
Summary

• My community needs to change.
• We don't have enough jobs that pay a living wage.
• Poverty has been increasing.
• I'm concerned about the economic future.
• I don't think our community has a clear plan for the future.
• My community doesn't have the financial capacity to maintain infrastructure.
• We need to invest more resources in business development.
• There aren't enough people willing to serve as leaders and volunteers.
Next Steps

• Goals for 2018 survey
  • Broader participation
  • Institutionalize the survey
  • Evaluate survey questions and make appropriate changes
Economic Resilience

The Great Recession provided a unique opportunity to study a large scale economic disaster – the geography of recession.

A working definition of resilience “The ability of a local or regional economy to adapt to both shocks and long-term changes.”

A Resilience Model

- Economy in Equilibrium
- Shock to Economy -- can be local (weather event, plant closure) or large scale like the Great Recession
- Period of Adjustment
- *Return to Equilibrium or New Normal*
Measuring Resilience Using a Composite Indicator

Composite Indicators combine more than one variable into a single index.

In the following slides we combine two key indicators of growth and development into a single index.

% Change in Population from 2007 to 2017

% Change in Total Employment from 2007 to 2017
Only 23 of 115 counties have exceeded 2007 levels of population and employment.

25 counties have gained population but not jobs and 15 have added jobs but lost population.

52 counties are still below 2007 levels for employment (average deficit = -8.3%) and population (-3.8%)

Source: See http://www.census.gov/population/metro/ for definitions
Metro Counties Composite Indicator

- 8 of the 15 Metro counties experienced increases in population and employment.
- Platte, St. Charles, Clay and Boone are the only counties in Missouri that experienced double digit growth in population and employment.
- The seven counties at the low end (beginning with Cape Girardeau) have not recovered to 2007 employment.
- St. Louis County and City were the only metro counties with net population losses.

Source: Census Bureau, Economic Modeling Systems Int., 2017.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed
Outlying Metropolitan Counties Composite Indicator

- 10 of the 19 counties in this category experienced population gains. Warren (8.5), Lincoln (8.9%) and Webster (7.4%) all had growth exceeding 7%.
- Moniteau (15.4%) and DeKalb (10.4%) experienced double digit employment growth while Newton (-13.6%) and Dallas (-22.6%) had double digit losses.

Source: Census Bureau, Economic Modeling Systems Int., 2017.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed
Micropolitan Counties Composite Indicator

- Taney County’s large indicator is primarily the result of population growth (+14%) but the 3.7% increase in employment ranked third behind Scott (+6.5%) and Marion (+5.8%).
- Only 6 of the 17 Micropolitan counties posted job growth while 12 had population increases.
- Taney, Marion, Johnson, Pettis and Phelps were the only counties with growth in population and employment.

Source: Census Bureau, Economic Modeling Systems Int., 2017.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed
Rural + Outlying Micropolitan Counties Composite Indicator

- Only 10 of the 64 counties experienced increases in Population and Employment.
- Camden (+4.1%) had the largest population increase while Holt (-11.0%) and Atchison (-10.4%) had double digit losses.
- 15 counties experienced employment growth. Howard (+17.6%) and Hickory (+11.0%) were the only counties with double digit growth.

Source: Census Bureau, Economic Modeling Systems Int., 2017.2 – QCEW Employees, Non-QCEW Employees, and Self-Employed
Missouri Manufacturing Sector

• In 2016 the Manufacturing sector was 16.0% of State Gross Domestic Product ($42.1 billion). Government was second at 12.5% followed by Health Care (9.1%).
• The average manufacturing wage ($70,151) is 129% of the State average ($54,124).
• The State has a diversified manufacturing sector led by Transportation Equipment, Food, Fabricated Metal Products and Machinery – all sectors with 20,000+ jobs.
• Computer and Electronic Products (28.6%) is the most rapidly growing sector followed by Chemicals (7.3%).

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2017</th>
<th>Change</th>
<th>% Change</th>
<th>2017 Average Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation Equipment</td>
<td>47,519</td>
<td>47,839</td>
<td>320</td>
<td>0.7%</td>
<td>$95,416</td>
</tr>
<tr>
<td>Food</td>
<td>40,647</td>
<td>39,795</td>
<td>(852)</td>
<td>(2.1%)</td>
<td>$58,484</td>
</tr>
<tr>
<td>Fabricated Metal Products</td>
<td>33,609</td>
<td>29,543</td>
<td>(4,066)</td>
<td>(12.1%)</td>
<td>$60,264</td>
</tr>
<tr>
<td>Machinery</td>
<td>30,038</td>
<td>25,709</td>
<td>(4,329)</td>
<td>(14.4%)</td>
<td>$67,605</td>
</tr>
<tr>
<td>Chemical</td>
<td>18,102</td>
<td>19,425</td>
<td>1,323</td>
<td>7.3%</td>
<td>$92,655</td>
</tr>
<tr>
<td>Plastics and Rubber Products</td>
<td>17,538</td>
<td>16,314</td>
<td>(1,224)</td>
<td>(7.0%)</td>
<td>$58,164</td>
</tr>
<tr>
<td>Printing and Related Support Activities</td>
<td>17,243</td>
<td>11,895</td>
<td>(5,348)</td>
<td>(31.0%)</td>
<td>$52,047</td>
</tr>
<tr>
<td>Electrical Equipment, Appliance, and Components</td>
<td>13,070</td>
<td>10,430</td>
<td>(2,640)</td>
<td>(20.2%)</td>
<td>$73,634</td>
</tr>
<tr>
<td>Furniture and Related Products</td>
<td>12,524</td>
<td>7,273</td>
<td>(5,252)</td>
<td>(41.9%)</td>
<td>$47,786</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>10,815</td>
<td>8,651</td>
<td>(2,164)</td>
<td>(20.0%)</td>
<td>$62,593</td>
</tr>
<tr>
<td>Wood Products</td>
<td>10,307</td>
<td>8,447</td>
<td>(1,860)</td>
<td>(18.0%)</td>
<td>$42,622</td>
</tr>
<tr>
<td>Computer and Electronic Products</td>
<td>8,225</td>
<td>10,574</td>
<td>2,349</td>
<td>28.6%</td>
<td>$90,346</td>
</tr>
</tbody>
</table>

Change in Total Manufacturing Employment by State 2001 to 2017

- In 2001 Missouri ranked 17 in total manufacturing employment (348,089), Minnesota was 16 and Virginia 18. Illinois was the only neighboring state with more manufacturing jobs (823,218).
- In the run-up to the recession the State lost 42,000 (-12%) manufacturing jobs but improved it’s rank from 17 to 16.
- The State lost 58,500 (-19%) more manufacturing jobs between 2007 and 2010.
- Since 2010 the state added 25,500 jobs (+10.3%) ranked 18 in the US.

Metro counties had a relatively robust recovery from the recession adding 19,401 manufacturing jobs since 2010 (+12.6% increase, 79.5% of State growth). Metro Outlying counties added another 3,776 (+16.3% increase, 15.5% of State growth).

Both Micropolitan and Rural counties have struggled during the recovery. Since 2010 Micropolitan counties added only 1,629 jobs (+5.3%) and Rural counties lost 401 (-1.1%).

Winners and Losers Since 2007

• 36 counties have returned to or exceeded, 2007 manufacturing employment levels.
• Clay (+3,423), St. Charles (+3,305) and Platte (+1,433) all added over 1,000 jobs.
• St. Louis County had the largest losses (–10,561) followed by St. Louis City (–6,509) and Jackson County (–5,004).
• 18 of the 59 Rural counties added jobs but the total gains were only 1,413.

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