

Maine Policy Review

Volume 13 | Issue 2

2004

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Recommended Citation

Drabenstott, Mark. "Reinventing Rural Regions." *Maine Policy Review* 13.2 (2004) : 88 -97, <https://digitalcommons.library.umaine.edu/mpr/vol13/iss2/14>.

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Reinventing Rural Regions

by Mark Drabenstott



Rural areas across the United States have been undergoing a fundamental transformation away from their commodity- and resource-based economies. This edited keynote speech addresses the question of what's next for rural areas. Mark Drabenstott, vice president of the Federal Reserve Bank of Kansas City and director of its Center for the Study of Rural America, presents the top 10 ways to reinvent rural regions. He emphasizes competitive niches, cluster development, local amenities, reinventing local governance and, most important, thinking regionally. His remarks were given at a fall 2004 conference sponsored by the University of Maine's Department of Resource Economics and Policy. [↗](#)

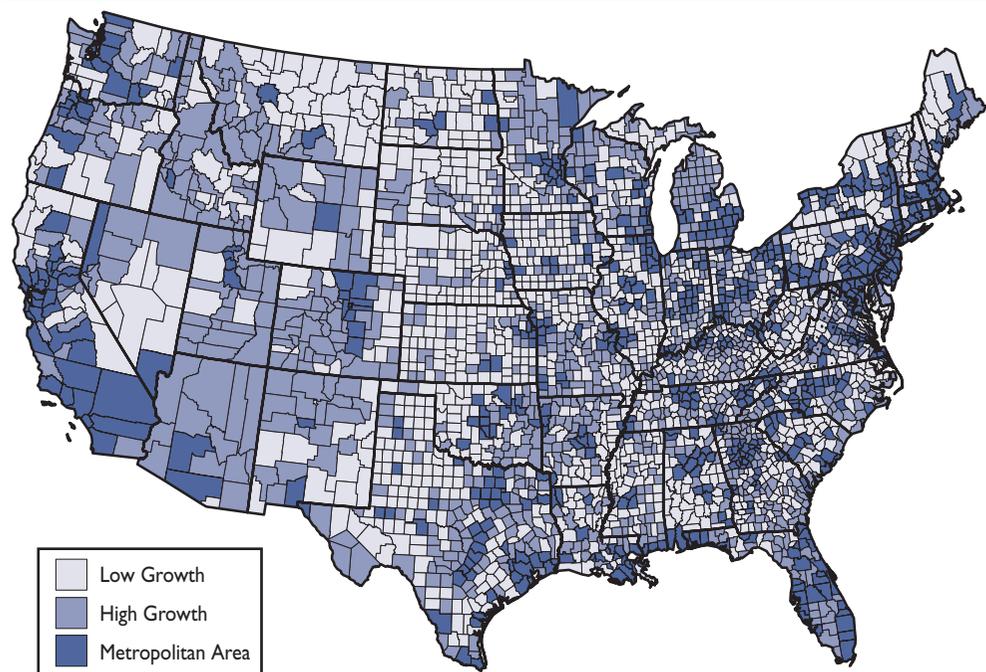
I'm going to share with you my views of what's happening to the rural economy throughout the nation. I suspect that the transformation Maine is going through is very much like what is happening in other corners of the nation. Our Center for the Study of Rural America is based in Kansas City, but we do work throughout the nation. I have had contact over the past 18 months with about 30 different regional economic development initiatives in rural regions, and they are all pretty much grappling with the same question. So, I think there is an opportunity for all of us to learn from one another and to try to understand how the challenges are similar and what some of the best practices are in seizing the new opportunities.

What I would like to do here is to discuss the top 10 ways to reinvent rural regions. Why are regions throughout the nation trying to reinvent their economies? There are many reasons, but the bottom line is that much of rural America is heavily dependent on a commodity economic base. Six out of every 10 regions, by our count, are trying to reinvent their economies because their traditional economic engines are sputtering. In some more rural parts of the country, it is probably more like eight out of 10 regions. The problem is that the new economic engines are not always obvious, and it is not always clear how to make the shift from what was to what could be.

Figure 1 illustrates the point. The dark blue counties are our nation's metropolitan statistical areas, where 80% of Americans now live. The medium blue counties are rural, non-metro counties that had above-average economic performance over the past decade or so. The light blue counties are non-metro rural counties that have had below-average growth. There is quite a bit of light blue scattered throughout New England, and indeed there is quite a bit scattered throughout Maine. And, obviously, Maine has some geographically big counties, so using counties may not

be the best approach. However, it is one way of slicing the economic data. The point is not to look at individual counties, but to see that there are obvious constellations on this map. Where you find medium blue on this map, there tend to be lots of scenic amenities that are readily identified by 280 million fellow Americans. The intermountain West is an obvious constellation of medium blue, as are the lakes regions of Minnesota and Wisconsin; Lake Wobegone is doing all right. The Ozarks also show up medium blue on this map. But then there are wide swaths of light blue, and where you find light blue on this map you almost always find regions that are heavily dependent on commodities. Agricultural commodities are one element, but there are other kinds of commodities, including natural resource-based commodities and industrial commodities. At the same time, in this sea of light blue are isolated patches of medium blue. Those patches of medium blue are where the Wal-Marts are, or where regional economic hubs are located, which may have a college or a university, or may have a financial, medical, or government services center.

FIGURE 1: Rural Employment Growth



In places where you see light blue on the map, the basic question people are asking is: How do we reinvent our economy?

Before we consider the top 10 ways to reinvent rural regions, there is one other preliminary point I want to make. The real reason we are seeing such enormous change in the rural economy is because of globalization. Economists have a phrase they use in conjunction with globalization, which is “new economic geography.” Paul Krugman was one of the first noted economists to advance this view of how globalization changes. Essentially, this view, put in terms we can all understand, says that it is regions where the effects of globalization are felt, where the chickens come home to roost, so to speak. This is obvious as we drive across the country. Some regions are prospering, others are struggling. For most rural regions the crucial issue is how to get beyond commodities. Most rural areas have economic engines that are heavily oriented to commodities. Agricultural commodities are important, but industrial commodities also are very important.

...to be successful in the 21st century economy, most rural areas will have to “think regional.”

The number one economic development strategy in rural America over the last half century has been to recruit the factory on the edge of town and give away the farm to do it. Why have we pursued that strategy? Why have we tried to get factories to move to rural areas? Because the labor was cheap, the land was cheap, and the taxes were cheap. Now, in a globalizing economy, how many places are there with cheap land, cheap labor, and cheap taxes? A whole lot! If you want to stay in the commodity business, globalization essentially gives you one imperative, and that is that you must be the low-cost producer. And, if you are not the low-cost producer, the market will find a way to inform you. In agriculture we have many small to mid-size commodity producers who want to stay in

the commodity business and they want to stay small and mid-size. This is a conundrum, and it is one reason why we have farm bills. But if you are in a commodity business and it is a globally traded commodity, you essentially have to get big or be gone, because that is the only way to capture economies of scale and push down your unit cost. So, we should not be surprised by consolidating economic activity, which is another way of viewing the light blue portions of the map. A consolidating economic map represents the natural order of things in a globalized commodity. Whether it is corn or super conductor chips, it will happen.

Although soybeans are not a crop grown extensively in Maine, soybean production provides a good example that illustrates the competitiveness to which rural America is subjected. In the early 1970s, the United States controlled 75% of the world soybean market. In 2002, something very interesting happened. Together, Brazil and Argentina grew more soybeans than we did that year. And the disparity has started to widen. How many of us believe that America is going to regain market domination in soybeans any time soon?

The top 10 ways to reinvent rural regions that I am describing here are really the “top 10 plus one.” One issue transcends the other 10, and that is this: thinking regionally. One of the most essential points of being in a global economy is that there has to be critical mass to reach the market. We no longer are in an economy in which one community or one county can go to the global marketplace, make its statement, and succeed. There has to be some sense of critical mass in order to reach that marketplace. Now this is very, very difficult for many rural people to think about, because people’s thinking tends to end where the county ends, or where the town limit ends. Thinking regionally is very, very difficult for many people in rural America to accept. But my observation is that to be successful in the 21st century economy, most rural areas will have to “think regional.” This has all kinds of implications for how we govern these efforts. We have got to think beyond the jurisdictional lines that 18th and 19th century surveyors laid down for us. Twenty-first century opportunities are not a respecter of those boundaries.

What is region? The best answer will be given by you, with all due respect to the wisdom to be found in state capitals, and all due respect to the wisdom in the nation's capitals. There is not enough wisdom in our state capitals to decide what the region should be. In some cases it may be a handful of counties, in others, it may be a score of counties, and yes, I regret to inform you, Maine may have to partner with people in Massachusetts. There are many examples of this around the world; the need to think regionally is a global phenomenon.

How do you define a region? There are many approaches. It may be defined as the area that is in the same economic boat, a "misery loves company" kind of argument. It may be based on a critical mass to renew business opportunity. It may be the region that is served by a catalyst regional organization. I will describe shortly how there are regions that have been defined by community colleges, because the particular community college has a common service area. It may be a workforce issue in a region that has a common labor force, for example, a timber region that has skilled timber workers but is now trying to figure out how to do something beyond timber.

With that as background, let us consider the top 10 list.

BUILD A HOME FOR THE REGIONAL PARTNERSHIP

You cannot hold two chicken dinners a year and have a successful region. There has to be some place where this forum lives and where all of the key players are brought together. To have an impact on a region's economic future, rethinking the institutions that support it is really the test. This is all about creating institutions that can be sustained. Within a region, one of the most difficult things is how to create "win-win" situations. Whenever I go out and speak to a regional audience, I can almost see the skepticism in people's eyes, because there is someone in the back of the room who is saying in their heart of hearts something comparable to "Bangor's going to get it all." How do we get beyond that, and how do we begin to create an environment in which people recognize that if one

community in the region wins, the whole region wins? That's the kind of thinking that has to emerge.

FIND THE REGION'S COMPETITIVE NICHE

As I mentioned earlier, there are about 30 rural regions throughout the nation with which we have been in contact. Most of those regions have concluded, number one, that they need to reinvent their economy, and number two, that they have to partner to do it. So, they have already gone past number one. Where they really struggle is figuring out the economic niche in which their region can be world-class. That, ultimately, is the question, and it comes from understanding two things: first, what are the region's assets, and second, what are the market opportunities? And it is in aligning those two things that a region really will find its niche.

If we want to talk down and dirty, in economics jargon we are talking about competitive advantage. This truly is the concept that will drive a region's strategy. The problem right now is that in most regions when this question begins to be asked, there is nobody with an analytic answer. And, with all due respect to my economist peers at the University of Maine, the land-grant economists are usually missing in action. It is an opportunity, in my opinion, to be seized. So what happens? Many regions hire a consultant. The consultant comes to town with his or her black box and says, "This worked really well in upstate New York." Buyer beware! Because if it worked in upstate New York, it probably won't work here: different region, different assets, and different market opportunities. The days of copycat development are gone, and the sooner we figure that out the better off we all will be.

Having a niche probably means selling something beyond the region. There are some who make the case that if we all bought the region's own food, we could perhaps have self-sufficient regions. I think it is going to take more than that. Regions are going to have to sell something. Now the something a region has to sell may be its scenery. It may be that a region sells itself as a tourism or retirement destination. But a region has to sell something. For example, Europe has long had a tradition of regionally branded foods. Consider champagne. Champagne is sparkling wine,

and you can buy sparkling wine that's grown in a hundred different places around the globe. But if you want champagne, those grapes have to have their roots in the Champagne region of France. The French who live in Champagne have been good at convincing us that those vines are so special that we are willing to spend \$10 to \$15 a bottle more for the privilege of drinking sparkling wine that has the Champagne label. This is a regional niche and they have been extraordinarily successful in exploiting it.

GROW THE FARM SYSTEM INSTEAD OF BUYING FREE AGENTS

The number one development strategy in rural America is to build a war chest and use it to give out financial incentives to recruit businesses. And the assumption is that “my war chest is bigger than your war chest.” In a globalizing economy, this strategy has become both high cost and high risk. The key to the future success of regions is high-growth entrepreneurs who create local jobs, local wealth, and local control. We had a speaker at a national conference a couple of years ago who made a very powerful analogy. He said growing entrepreneurs is a lot like running a minor league baseball team. There's a lot of raw talent, but you need an exceptional coach. He said that you need a coach who can see that talent, recognize it for what it is, and mold it into a major league player. In fact, there is now an entrepreneurial development system patterned on this analogy that is being used in demonstration projects in at least two or three regions around the country.

In fall 2004, there was a *New York Times* front-page story based in Galesburg, Illinois about the closure of Maytag's refrigerator plant. It showed a picture of the local prosecuting attorney who is suing Maytag to get back the financial incentives that Galesburg gave the company for locating their plant in that city. And the headline that ran in the *Quad City Times* the Sunday after Galesburg first announced they were closing that refrigerator plant read: “Maytag Delivers Expensive Lesson.” If you read the *New York Times* story and add up the numbers, about \$10 million was given to Maytag to keep that plant in Galesburg.

It took about two years for this 16,000-worker plant to wind down. But the punch line of the lead editorial in the *Quad City Times* was the following: “We have to aim higher in our economic development strategies. We have to think about local companies, local jobs, and local control.” This was not an economist speaking, but a journalist. This message is beginning to be understood throughout the nation, but I say that building a war chest and recruiting business is the 800-pound gorilla in economic development strategy. And those leaders in the region who get beyond this first will be ahead of the competition.

CREATE CLUSTERS AROUND THE REGION'S NICHE

There is growing evidence that if a region can identify a niche that is world class and then create clusters of firms that specialize in that niche, it creates the potential for significant prosperity. This is an idea that has been championed by Michael Porter of Harvard University. He wrote a famous book called *The Competitive Advantage of Nations*. Although much of his work is focused on the inner city, the same concept applies in regions more generally. Indeed, this again is one of those ideas that is gaining a lot of traction around the world as I visit with people elsewhere who are thinking about economic development clustering and how to create the networks for these clusters to form. Creating clusters around a niche will be especially important when we try to move from commodity industries and a commodity-based economy to a knowledge-driven economy. How to create those clusters of knowledge and innovative companies is very, very important from the perspectives of technology, workforce, and capital.

The problem with clustering is that it flies in the face of our culture in rural America. There are many people who live in rural America because they do not want anybody to bother them. Now that's okay—we have places for lone eagles in our economy—but if we want to create new economic engines, many will require clusters. How we create a business culture that accepts much more of the notion of partnering and interdependence is very important. World-class products require

some level of critical mass. In short, we probably spend too much time celebrating the Norwegian bachelor farmers of Lake Woebegone, and probably not enough time thinking about things such as research. Research Triangle transformed the North Carolina economy from tobacco road to one of the world's leading technology centers. And how did North Carolina do it? If you go back and look at the history of Research Triangle, it took three players. It took the state government, it took higher education, and it took the private sector, all working together. That kind of partnering and collaboration is more of the model of what is going to be prevalent in the 21st century than Lake Woebegone. In short, we need interdependence rather than independence.

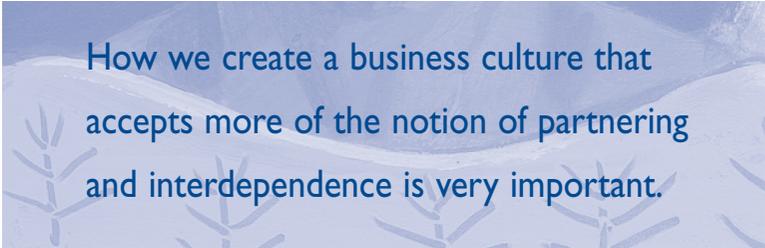
IMPROVE AND LEVERAGE LOCAL AMENITIES

If you recall the map, areas with high scenic amenities, such as the intermountain West, are growing much more rapidly than commodity-dependent areas. Now, Maine also has a high level of scenic amenity, but still has a fair bit of light blue on the map. Is this a question of access, or is it a question of information? I do not know the answer, but it is a question Maine should be asking.

The other issue that really needs to be addressed, not just in Maine but all across the fruited plain, relates to quality-of-life amenities. There is a presumption in many corners in rural America that if the crime rate is low then the quality of life must be high. In today's economy, the best and brightest graduates of the University of Maine expect more than a low crime rate when they choose a place to live. How do we create a competitive bundle of lifestyle amenities for the kinds of people who are going to start businesses, the kind of people who are going to be knowledge sector workers? Doing so will involve education, outdoor recreation, distance learning and distance culture; a whole wealth of things fall under this umbrella. How important can amenities be in driving the economy?

Here is one way of thinking about outdoor amenities—scenic amenities—from an economic point of view. The U.S. Fish and Wildlife Service estimates that in 2001, about \$800 billion was spent on outdoor recreation. Fishing and hunting are obvious, but the

biggest category in terms of numbers of people involved was actually wildlife watching. Those Audubon Society people are quiet, but they do spend money. This is but one example that there may be better opportunities for private lands in Maine than timber or agriculture. How we begin to bundle things together in such a way that we get some critical mass is really interesting. To the extent that this uses private lands, we are going to have to build partnerships.



How we create a business culture that accepts more of the notion of partnering and interdependence is very important.

To give you an example that is comparable from another state, I recently had a conversation with some of the leaders of the Kansas Farm Bureau. Their question to me was the following: “We’re pretty well convinced that hard red winter wheat, corn, and cattle have taken us as far as we can go. We are concerned about the future of the places in which we live. We just sold our life insurance company to the Iowa Farm Bureau. We’ve got a nest egg. What should we do?” To begin the conversation, I asked if they knew what the number one tourist attraction in Kansas is now. The answer is Cabela’s—a world-class outfitter based in Sydney, Nebraska. They built a Cabela’s store right next to the new NASCAR track in Kansas City, Kansas, and it is the number one tourist attraction in the state of Kansas now. I’m not sure what that says about Kansas. But I said to the farm bureau folks, what if you got a hundred ranchers to sit down with Dick Cabela and say: “We have world-class pheasant and deer hunting habitat. You have a world-class outfitter company. What if we agree to put our ranches to your specifications for hunting experiences, and you put your Cabela’s label on it and market it for us?” That seems to have an up side to it. But the biggest problem would be getting a hundred farmers to agree on anything. I suspect that if Maine thinks about wildlife

watching, it could target the Boston market. I would bet there is untold opportunity there, but landowners would have to agree, and that brings us back to culture.

INVEST IN YOUR PEOPLE

Two investments will really be critical in my opinion. First, we are going to have to lift up the economic development and regional leadership skills of the leaders in any given region. There are many fascinating experiments going on around the world on how to reinvent regional economies. Some of the most successful ones to date have always taken a slice of the money, set it aside, and said, “We’re going to invest in the technical economic development skills of our regional leaders.” This approach has a lot of merit, because to some extent we have to do something to overcome this 800-pound gorilla. The second critical investment is in our workforce. To a very large degree, we have a rural workforce trained for the 20th century economy not for the 21st century economy. How we overcome this is going to have huge implications for K-12 education, but it also is going to have huge implications for adults in continuing education as we think about retooling the workforce that is out there.

ENRICH THE REGION’S SUPPLY OF EQUITY CAPITAL

If you accept my premise that entrepreneurs are critical to the future economic success of rural regions, then capital becomes the lifeblood. The real problem in rural America, regardless of location, is availability of capital. If we were to take a map of Maine and throw darts at it to mark locations, how long would we have to drive from any place that dart landed to walk into a bank? Twenty minutes, 30 minutes, maybe 40 minutes or more in the northern reaches of the state, but not long. How far do you have to drive to walk in the doors of a venture capital fund? You probably have to go to Boston. Equity capital is really the biggest missing link in most rural financial markets.

The irony is that most regions have a surplus of capital. There probably is a lot of wealth scattered across Maine. But where and how does it get invested?

The answer is, elsewhere—1-800 Charles Schwab or 1-800 Merrill Lynch or CharlesSchwab.com. How do we create investment vehicles whereby people can invest in their region? We think this is an idea whose time is coming. It may not attract every wealth holder in the state of Maine, but I suspect there are people in Maine who would take some of their capital and accept even a slightly lower rate of return than the S&P 500 if it were creating a future for the kids and grandkids in that place. The challenge is how to create these vehicles. There are some fascinating examples out there, though I will not elaborate on them here. This is not a job for politicians, with all due respect to elected officials. Elected officials were not created to run venture capital funds. What they can do, however, is think about creating the mechanisms for stitching these venture funds together. Then we can hire people to run the venture funds. But there is a critical need to think seriously about how to create place-based equity capital funds.

TAP TECHNOLOGIES THAT ARE SUITED TO THE REGION

It is crucial to identify technologies that suit the region’s niche. I can’t tell you how many places I go to around the country where people will come up to me and say, “We’re going to be the next life sciences center of America.” It’s not going happen in all 50 states, and it’s not going happen in all 300 metropolitan service areas (MSAs). A region or MSA needs technology that suits its niche. For rural regions, we tend to think that three areas will be particularly important: product agriculture, mass manufacturing, and high-skilled services. These are generalizations. It does not say anything about what a region’s niche will be.

Product agriculture is a term we use to differentiate from commodity agriculture. There is a wide spectrum of opportunity, from very near commodities such as ethanol, to products at the other end of the spectrum, such as pharmaceutical crops, where pharmaceutical inputs are grown in fields instead of factories. A fascinating opportunity is now in crop trials. Indeed, there is one group in northwest Iowa that is working on a pharmaceutical corn, a genetically modified corn that can express a protein that is used to manufacture a drug

for cystic fibrosis. If they can get 10,000 acres of this corn, they think they have enough critical mass to produce a one-year supply of the drug. If they can do that, they can get a \$100 million processing facility somewhere in the middle of those fields of corn. Now you begin to work through the numbers, and this is a transforming economic event. Do you know what their biggest problem is? Getting 300 farmers to agree on anything. And these crops will be grown under very strict ISO 9000 production protocols. You cannot grow it your way; you have to grow it the ISO 9000 way.

An idea that I suspect has a lot of potential here in Maine is farm-to-grocer foods. Very few grocers have direct contracts with growers. One of the reasons? Grocers want strict quality standards, and they want strict product deliverability. However, it takes lots of farmers to do that. We are back to the same problem I discussed earlier. When you are within striking distance of a market such as Boston, you have a huge, affluent consumer segment waiting to buy quality foods. There are very few examples of this in the United States. One example that I have come in contact with in the United Kingdom is the grocer Waitrose, which rose to number three in the United Kingdom by giving consumers choices, for example, organic-produced products, including deep-strawed eggs. I was in a marketplace recently with a friend who does all of her grocery shopping there. I said, "Mary, what are deep-strawed eggs?" She said, "Read the carton." On the carton there is a beautiful picture of a hen and it says, "These eggs came from hens that had ample space to scratch, preen, and dust bath." Now, I don't know what dust bathing is, but they charge five times the price for these eggs, and my point is that there are opportunities within agriculture to think about moving beyond commodity.

Advanced manufacturing is a similar process in which we can think about moving factories up the technology ladder the same way that farmers might. For example, there are firms that started out producing wire and fencing products for ranchers in Kansas, and now they are producing polymers. This is something that can be done.

One of the critical questions that I think needs to be asked of our public investors in research is a "where" question. How do we connect the pipeline of tech-

nology and innovation that is flowing out of our public universities with the economic development strategies of individual regions within Maine? How do our public investments in technology affect regional economies? This "where" question is not one we have put to our public universities. However, I think there is a tremendous opportunity to take the technology that is already on the shelf or in the attic and say, are there things there that are particularly suited to northern Maine? To western Maine? But you first have to know your niche, and then you have to know what technology suits that niche. Although the responsibility cannot all be laid at the door of the university, there is a tremendous opportunity to create synergies between our public investments in research and emerging regional development strategies.



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One final point is that historically we have organized our public investment in research by sector. That has been an enormously successful investment. One can argue that the agricultural experiment stations of the past hundred years have provided an enormous return to society. My point going forward is that the future is more about regions and less about sectors. How we harness the power of the university and match up its research engines with our regional development strategies creates really interesting challenges for both the public and for the university.

INVEST IN 21ST CENTURY INFRASTRUCTURE

Many regions believe that if you build a highway, that's all that is really needed. In some cases, a highway gives people a quicker exit. We had a

proposal in the state of Missouri about five years ago to build a four-lane highway to every community over 5,000 people in the state. Finally, an analysis was done which concluded that in some cases it would hasten the exodus. The 21st century is a lot more than highways. Now, there is a lot of talk about the information superhighway, and certainly broadband is one of those aspects of infrastructure that is going to be important. My view on broadband, however, is that it may be necessary, but it is certainly not sufficient. We probably need to pay a lot more attention to some of the other areas of infrastructure that do not get nearly as much discussion.

There are many questions about public institutions...that come to light in a new way once we begin to think about regional development.

I have already mentioned quality-of-life infrastructure. There are a number of public goods that can help our quality of life in addition to education. Regional air service is going to be a crucial issue. As I discussed earlier, if you have so many scenic amenities in Maine, why aren't more portions of the state medium blue? Well, maybe part of that is air service. I came in contact recently with a program that NASA calls "SATS" (Small Aircraft Transportation System). As NASA explained it, SATS refers to smart aircraft and smart airports. The people at NASA indicated that they think we can have small planes that are "smart" enough that nearly anybody can fly them. I asked if they were talking about the Jetsons, and they said, "that's it." But they actually are spending \$500 million a year on pilot programs to create innovative ways to take people by air to places that relieve congestion in our hub-and-spoke system. This could be an answer for some parts of northern and western Maine that do not currently have air service. That kind of investment seems to be something worth considering.

HOW DO WE REINVENT REGIONAL GOVERNANCE?

Notice I do not say "regional governments," but "regional governance." Governance is a way of describing how regions form and execute economic development strategies. Accepting my premise that the future will belong to multicounty regions that form economic development strategies, the obvious question is: How do we get beyond county lines? How do we get beyond town limits? How do we cross the jurisdictional and institutional lines that have long divided us? There's no right way to redefine regional governance; there's no handbook on this. Every region is going about it in a different way. What I can say is that there are three critical players. Government is one, higher education is one, and the private sector, including both the business community and the not-for-profit community, is the other.

We call this the "Arrowhead model," because we believe the Arrowhead region of Minnesota represents a region that has been on the leading edge of innovation. In the Arrowhead region there are seven counties and seven community colleges. Someone came along and said: What if we had one community college, one super regional community college instead of seven? Well, there were six people opposed. However, they stuck with that idea and persevered until they created one regional community college with, as the college president puts it, "seven campuses of distinction." In the process, they did something very interesting: they created a regional champion, and that regional champion started meeting with the private sector, started meeting with the foundations in the region, started convening regional meetings of local governments, and it created kind of an avalanche of change. There have been significant new investments in the region. The region has created more of a tourism and knowledge-driven economy, and much less of an iron ore- and timber-based economy.

There is no one right way to get there, but one of the three key players has to be a catalyst. If there is no catalyst, the status quo will prevail. If the status quo prevails, there will probably always be the same "war chest" approach to economic development that has always existed.

I think reinventing governance also means asking new questions about our public institutions. Every state legislature in the nation has an agriculture committee. No state legislature has a regional development committee or a rural development committee. In Congress we have 156 different programs that have been written by Congress that affect economic development, but we have no federal agency that is really the champion of regional development. We have colleges of agriculture at land-grant universities, and we have historically charged colleges of agriculture with rural development. And yet, if we think about the economic future of rural America, agriculture will be only one piece of that future. And how do we get the college of agriculture and the college of business working together on entrepreneurship?

These kinds of questions call for us to ask new questions about the role of public institutions. One of the areas in which we are seeing a lot of innovation recently is in community colleges. In fact, there is a new alliance of community colleges across the nation called “The Rural Community College Alliance,” which is getting very engaged in economic development strategies because they see community colleges as being wedded to the economic future of their regions. The Cooperative Extension Service is another area where I think we are going to ask questions. Is it the job of the Extension Service to be the convener of regional dialogues? Whose job is it to convene those conversations? Is it the job of the state economic development agency? There are many questions about our public institutions, I think, that come to light in a new way once we begin to think about regional development.

In closing, there are many exciting opportunities on the horizon for rural America. At my center, we are bullish on rural America, but we also believe that rural regions need to adopt new strategies in the 21st century. And one of the critical questions I want to leave you with is: Are you going to be a champion for change? Wherever we have found innovation in rural economies, there has always been a champion for that change. 🐾



Mark Drabenstott is Vice President and Director of the Center for the Study of Rural America at the Federal Reserve Bank of Kansas City. He has published more than a hundred articles and edited five books on leading issues facing the rural economy and the food and agriculture sector. He is a frequent speaker before industry, university, and public policy audiences.