**Project/Activity Number:** NE1749

**Project/Activity Title:** Enhancing Rural Economic Opportunities, Community Resilience, and Entrepreneurship

**Period Covered:** 10/1/2018 - 9/30/2019

**Date of This Report:** 5/30/19

**Annual Meeting Date(s):** April 4th, 2019

**Participants:**

Mike Betz, Ohio State Univ., betz.40@osu.edu

Yong Chen, Oregon State Univ., yong.chen@oregonstate.edu

Mindy Crandall, Univ. of Maine, mindy.crandall@maine.edu

Steven Deller, Univ. Wisconsin-Madison, scdeller@wisc.edu

Stephan Goetz, Penn State Univ., sgoetz@psu.edu

Sarah Low, Univ. of Missouri, lowsa@missouri.edu

Judith Stallmann, Univ. of Missouri, stallmannj@missouri.edu

Peter Stenberg, USDA ERS, stenberg@ers.usda.gov

Heather Stephens, West Virginia Univ., heather.stephens@mail.wvu.edu

Dawn Thilmany, Colorado State Univ. dawn.thilmany@colostate.edu

Philip Watson, Univ. of Idaho, pwatson@uidaho.edu

**Brief Summary of Minutes of Annual Meeting:**

Phil Watson of the University of Idaho was elected to serve as the incoming president and Heather Stephens of West Virginia University was elected incoming secretary.

Each member present gave a station report.

Prior to the meeting Dr. Peggy Brennan communicated with Dr. Betz that there was a need for our project to develop more of a focus where all members were working on a single focused topic. There was a long discussion trying to clarify and respond to the comments and lead to in-depth reflection and fruitful discussions about the project. It was agreed that the comments may be due to the lack of cohesive topics in our proposal. To address that, we may need to emphasize common topics like rural prosperity or health care.

There was significant concern about expressed about how to continue the decades-long history of this group forming smaller, more flexible collaborations in order to address the specific issues facing the constituencies in each of our states. We are very few in numbers—only one or two in each state—and our research is expected to have a local focus. This project breaks our isolation. We have purposefully tried to be flexible to allow collaborative work to evolve naturally through our group meetings based on which states are facing common issues. Many of the research ideas and collaborations would not have occurred without this more flexible form of arrangement. Such flexibility also reflects the multi-faceted nature of the challenges rural American communities face. The challenges for rural American communities are diverse in nature and are heterogeneous both in space and over time. Take the issue of rural prosperity as an example. Even though this is a common theme faced by all participating stations, each state faces very different challenges due to its economic structure and state policy. Even though we approach the same issue of rural prosperity from different local contexts and perspectives, we share the conceptual frameworks and use similar tools. This project creates an opportunity for us to share our knowledge and enables us to learn from each other.

At the same time we are working on communities, which by definition have many interrelated facets. In the case of communities, an issue, such as the opiod crisis, is multifaceted and focusing on a single aspect of it, such as access to health care, will not solve it. The states reporting on their work on the opioid crisis show this to be true as it appears to be related to different factors in individual states.

Over the years, the group has sponsored many special sessions in SRSA covering diverse and important issues faced by rural America over time. This would not have been possible without the collaborative effort made possible by this project.

This project and its predecessor has gathered people that would not have met each other over the last 30 years or more. It is a great home place to attract junior people and help their career development. Every project member shares his/her personal experience and the connections /collaborative relations established with the help of this project and its predecessor. The Missouri-Wisconsin collaboration began in this project and has resulted in projects on a variety of topics. Med- and early-career participants share their personal experiences on the new connections made and the help/support received along their career development. Such wonderful experiences would not have been in place without the support of this project and its predecessors.

*Proposed Solutions*

Each of the participant needs to put more emphasis on the collaborative work in the station reports. For instance, if possible, put in a special section devoted to the collaborative efforts.

The impact section of the report could be another place to emphasize our collaboration. As a group, we should try to highlight the news coverages, like Drs. Deller and Low’s coverage in the New York Times, the use of Drs. Goetz and Stephen’s work with Dr. Partridge by the Federal Reserve Bank as well as in the 2019 *Economic Report of the President* and many other examples.

There is cohesiveness in our work but our reports fail to articulate it well. We might need to provide a one-page flyer to highlight the impact of the work from this group.

In order to better communicate with the funder about the collaborative work inspired by the project, we might need to conduct a network analysis on the paper authorship or citation within the group.

We are sorry that Dr. Brennan could not attend the meeting to participate in the discussion and provide ideas.

**Accomplishments**

In its 2017 annual meeting, the group identified three primary research areaswhich link to the priorities set out by REE and the Interagency Task Force on Agricultural and Rural Prosperity around which it wishes to engage in the coming years: 1) Rural Entrepreneurship and Community Well-being; 2) Community Resilience; and 3) Energy and Land Usepolicies in rural areas. In the past year, the group has made substantial contributions to the academic literature and in disseminating the findings of these studies.

***Short term outcomes***

It is difficult to quantify short-term measurable benefits our target audience received because the group’s research is centered around how broad economic trends and changes in economic and social policies impact rural areas. Local policy- and decision-makers are the primary consumers of the research produced by this project, but the primary beneficiaries are citizens in the various states our group represents. Because citizens only benefit from our research when local leaders act on the policy recommendations produced by our group, and a wide array of factors influence policy decisions, it makes quantifying results from policy recommendations resulting from our research difficult to quantify.

***Outputs***

Outputs stemming from our project are much more easily quantifiable. Our team produced over 50 high-quality articles published in the leading journals in the fields of regional science, agricultural economics, resource economics, and community development.

Additionally, the group has produced several unique data sets that have led to some of the publications detailed below. Most notably, Idaho has received a NIFA grant for an open access array of in situ data--trying to make regional science data a public good for researchers to access. The grant is “Tapestry: An Open-Access Multi-Regional Social Accounting System” and is seeking collaborators. The dataset covers county level data commonly used in regional studies such as census data, local public finance data and data on forestry and agriculture and so on. It will allow a completely open access and customization for easy impact assessment (like shift-share analysis and others). Group members have access to many unique, state data sets that they will contribute to the project.

***Activities***

Members of the group organized collaborations around topics of expertise and relevance to the situations in their particular states. These research teams developed specific research questions, collected and organized data, performed statistical analyses, and presented and published results for studies focused on Rural Entrepreneurship and Community Well-being; Community Resilience; and Energy and Land Use policies in rural areas.

***Milestones***

We organized an executive committee and have begun to conduct analyses for each objective, with particular focus on producing results that are comparable across the participating states. We have built stronger synergies across rural development scholars. We have conducted outreach activities including input from stakeholders on objectives and results. We have synthesized results across states and across objectives, completed comparative analyses, identified policy implications and, continued outreach activities.

**Impacts**

In the past year this project has led to several grants being awarded to project members.

1. Preventing opioid misuse and abuse in rural Ohio through enhanced family and community education and training.Substance Abuse and Mental Health Services Agency*.* Betz, M. R., Martin, K., Wapner, A., & Julian, D. September 30, 2018-September 30, 2020. ($ 1,080,219).
2. Estimating the Potential Impact of Expanded Healthy Food Incentives Exploring Food System Impacts.  A proposal to the SPUR-facilitated coalition on policy analysis. PI Thilmany, D. with B. Jablonski and A. Bauman. August 2019-December 2020 (projected). $120,000
3. Outreach and Training on New Tools and Resources for Assessing Economic Impact of Local Food Systems (Economic Benchmark Data, Economic Impact Calculator, and New Case Study Material). $27,000. Cooperative Agreement with the USDA-Ag Marketing Service.  October 2018-September 2019. Thilmany, D. with R. Jablonski and P. Watson)
4. Integrating Community and Modeling Efforts to Evaluate Impacts and Tradeoffs of Food System Interventions, lead PI B.B.R. Jablonski. With A. Bonanno, M. Pagliassotti, E. Ryan, L. Bellows, R. Cleary, O. David, R. Boone, M. Carolan, P. Meiman, and J. Quinn. Foundation for Food and Agricultural Research (FFAR), $1,000,000 (FFAR); $1,000,718 (match); $2,000,718 (total)
5. Farm Stress Employee Training and Technical Assistance, USDA Farm Services Agency, $450,000. PI Skidmore, M. Development and delivery of training, resources, and outreach materials that will support Farm Services Agency field employees as they serve farmers and ranchers under stress.

***Activities***

The following activities were carried out by the project team over the past year.

Wisconsin continued to investigate the relationship between entrepreneurship and small business. The focus is on the entrepreneurship by women (with Missouri) and minority groups and the difficulties for them to get into the social network necessary for entrepreneurship. Research and extension efforts also covered topics on immigration issues, relationship between health care and workers' productivity, housing (with University of Nebraska-Omaha) and worker shortage in Wisconsin. Working with Economic Development Administration (EDA) university center, they developed a roadshow to communicate research findings to local stakeholders.

Missouri’s collaborative work with Wisconsin and a faculty member at the University of Nebraska-Omaha on the tax and expenditure limitations won the best paper award in the *Journal of Public and Non-profit Management.* They have submitted another paper looking at whether these limitations increase income inequality and find that they do. Their extension work focused on the 88 3rd-class (lowest assessed property values) rural counties in Missouri that are required to report budgets to the state. They analyzed the government revenue per capita, expenditure per capita and standard fiscal ratio of these counties to investigate tax effort, economy of scale and government performance in general for those counties.

Missouri also collaborated with Wisconsin and Penn State, focusing on the relationship between entrepreneurship and broadband, entrepreneurship and gender, entrepreneurship and ecosystem. Collaborating with Colorado, they explore the role of local foods as a catalyst for rural manufacturing and employment dynamics and the role of agtourism in the formation of clusters of enterprises. Their work was cited in an article in the New York Times

Colorado investigated the economic dynamics at the farm level. Their work focused on local food systems in Denver, trying to map out the interdisciplinary nature of the local food system that involves social capital, environment and so on. They are collaborating with group members from Oklahoma and Idaho to develop an impact assessment toolkit on local food systems. This work received an AAEA Honorable Mention for the team extension award and communities have produced written reports using the tool kit.

West Virginia worked on various related projects with microdata on death certificates linked to microeconomic and housing data investigating the opioid crisis in West Virginia. They are collaborating with Penn State to are also analyzing the changes in life expectancy across the U.S. They are collaborating with Iowa State conducting research on the motivation for female entrepreneurship. They also worked on examining economic development incentives and their impact on middle class jobs, as part of an Upjohn Institute sponsored project.

Maine,collaborating with Ohio State, received a NIFA funded grant to identify the economic trajectory of forest communities building off of the amenities work of McGranahan (USDA) and Deller (Wisconsin). They worked to develop a set of protocols for the economic contribution of forestry similar to the one referenced by project collaborators at Colorado State for local foods. In another NIFA funded project, they found that community context exposure of the youth (middle and high school students) can change the decision of whether to return to the community.

At Penn State their research covered a wide range of topics, including ag-tourism, wine and beer economics, economic clustering, relationship among entrepreneurship/ecosystem/innovation in rural communities, opioid and life expectancy (with West Virginia), economic mobility (with Oregon State).

Work at Oregon State focused on rural community resilience to federal policy (Northwest Forest Plan) and natural disaster. The research on NWFP shows that protection of old growth forest has attracted more high-skilled occupations in communities close to the protected area. This skill sorting mechanism is the driving force behind the observed increases in population, income and real asset value in nearby communities. Gentrification of the low-skilled occupation, poor households or the in-migration of the elder population are not the driving forces. The research on the impact of natural disaster focuses on community characteristics that contribute to the community economic resilience. We find that social capital enhances the community resilience. Human capital however is not as significant. In some cases, higher human capital can reduce the community resilience to disasters. This is probably because highly educated individuals have higher mobility. Dependence on inter-government transfer reduces resilience.

Ohio State focused on several lines of research related to the goals of NE1749. First, they examined the impact of the local economy on the opioid crisis. They found influence is generally small, but larger for white males and in rural areas. They also investigated how growth in self-employment and wage and salary jobs may differentially impact overall employment growth and the implications for policy makers.

***Milestones***

We have not set any additional milestones for our project.

***Indicators***

One indicator of the impact of work from this project is the frequency with which our studies are cited in the national news media. Members from our group had work related to this project cited by the New York Times, The Washington Post, and BBC World Service. Additionally the work on rural-urban interactions from our project in a partnership between Penn State, Ohio State, and West Virginia (“The Economic Status of Rural America in the President Trump Era and Beyond”) was cited in the Economic Report of the President and a Federal Reserve report.

**Publications**

Bauman, A., DePhelps, C., & McFadden, D. T. (2019). Assessing a local food system: The Palouse-Clearwater Food Coalition assessment process. *Journal of Agriculture, Food Systems, and Community Development*, *8*(C), 1-12.

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