



Getting Smart About “Shrink Smart”

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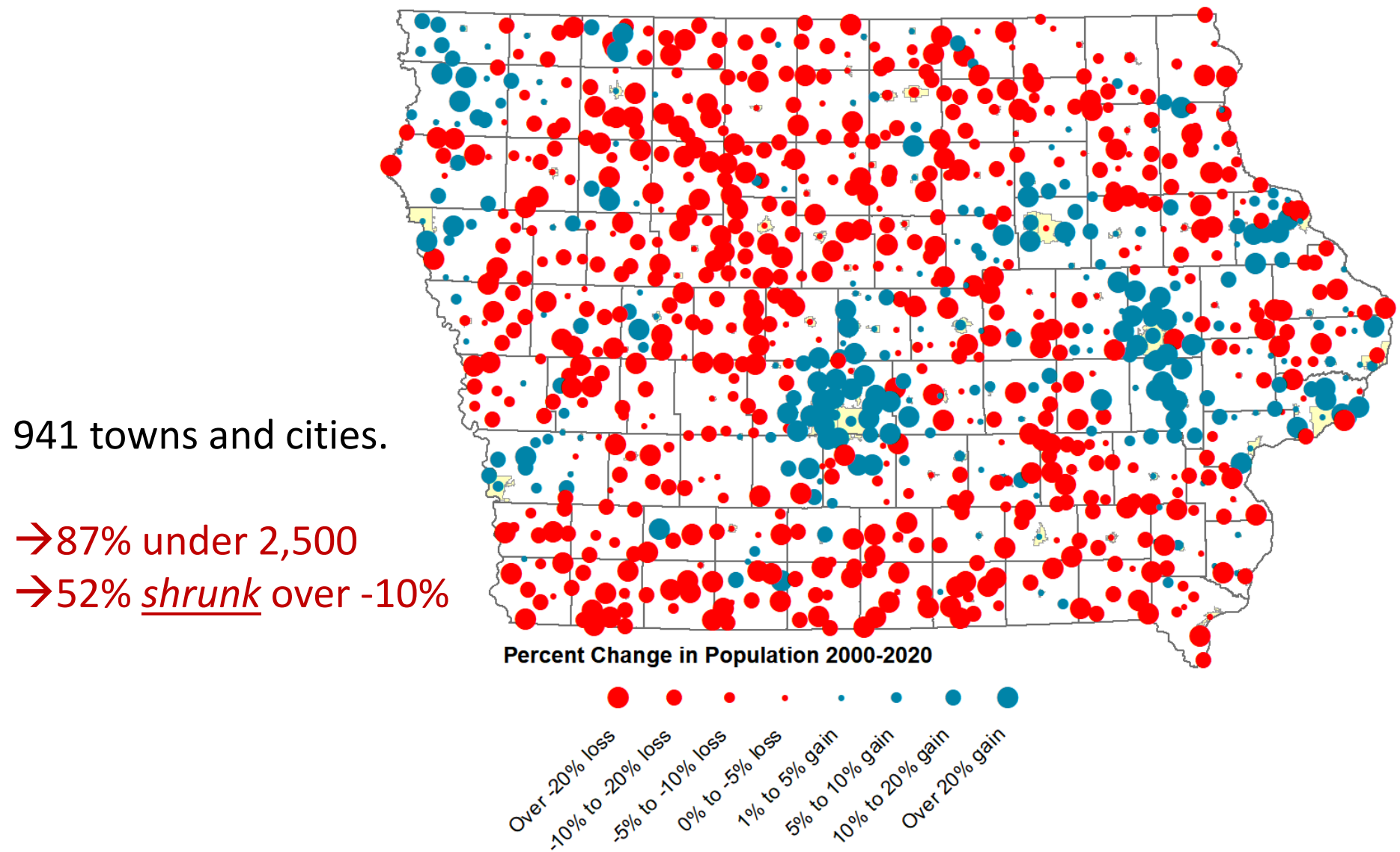
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The problem ...

- Rural depopulation a problem in the Midwest and Great Plains
- Problems maintaining essential services and retaining investments/jobs

The causes ...

- Federal deregulation in 1980s. Globalized economy in 1990s.
- Services-boom in 2000s. Automation in 2010s. Apathy in 2020s?
- Rural was site of low-cost production. Rural was a political priority.
- Rural America is being “left behind” ... fewer opportunities, fewer people.

The responses ...

- Limited responses from state and federal governments in the US
- “Shrink smart” framework from Europe (EU project 2009-12)

**Can the “shrink smart” concept be applied to rural America?
How important is community agency versus structural factors?**



You can lose population, but still thrive!

- Population loss is a *process* that needs to be managed.
- Quality of life and services is partly within community control.

Beware economic development as a typical response!

- Poor likelihood of success. Expensive.
- Might do everything right, but the limited opportunities and fierce competition.
- Business expansion outdated. Current focus on place-making and people.

Shrinking smartly does NOT prevent future growth!

- High QOL better positions community among 1,000s of others.
- Keeping current residents first step towards growth.
- Is attracting *workers* more important than attracting *jobs*?



Data ...

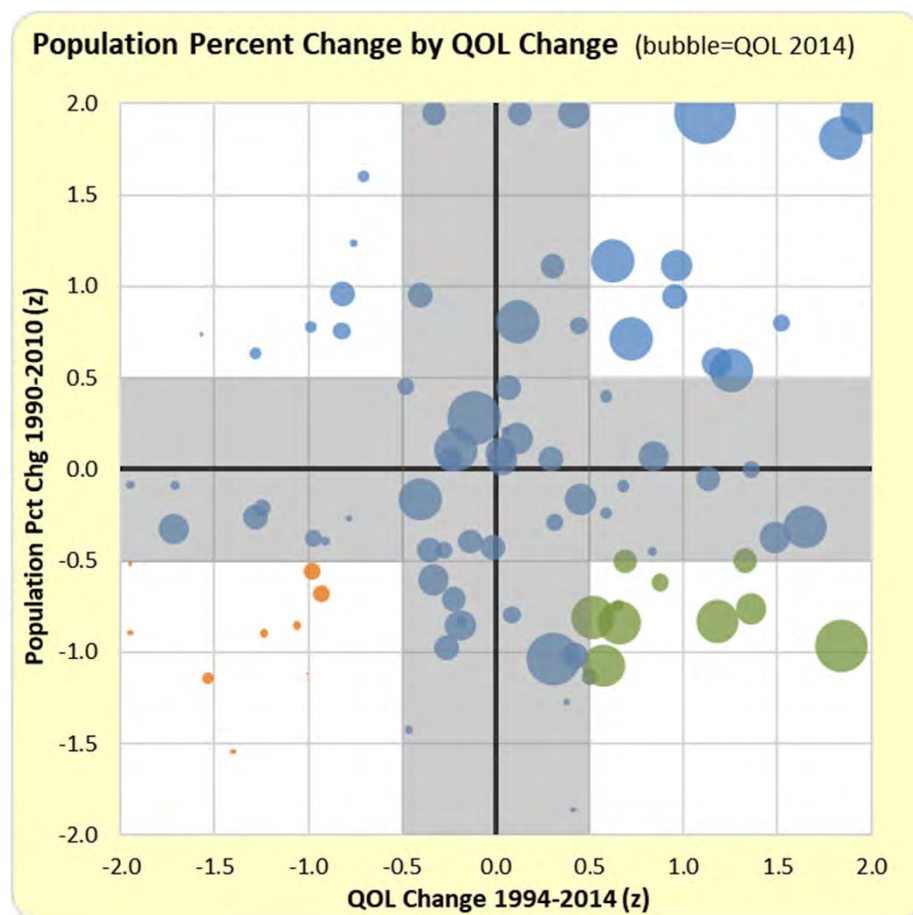
- Iowa Small Towns Project 1994-2014. Decennial Census data 1990-2010
- n=90 small towns in Iowa (500-5,000 people, not adjacent to large city)
- Structured interviews in 6 towns (3 smart, 3 declining)

Measures ...

- “Shrinkage” = pct chg in population
- “Smartness” = chg in subjective QoL
(jobs, medical, childcare, senior services,
local govt, K12 schools, housing)

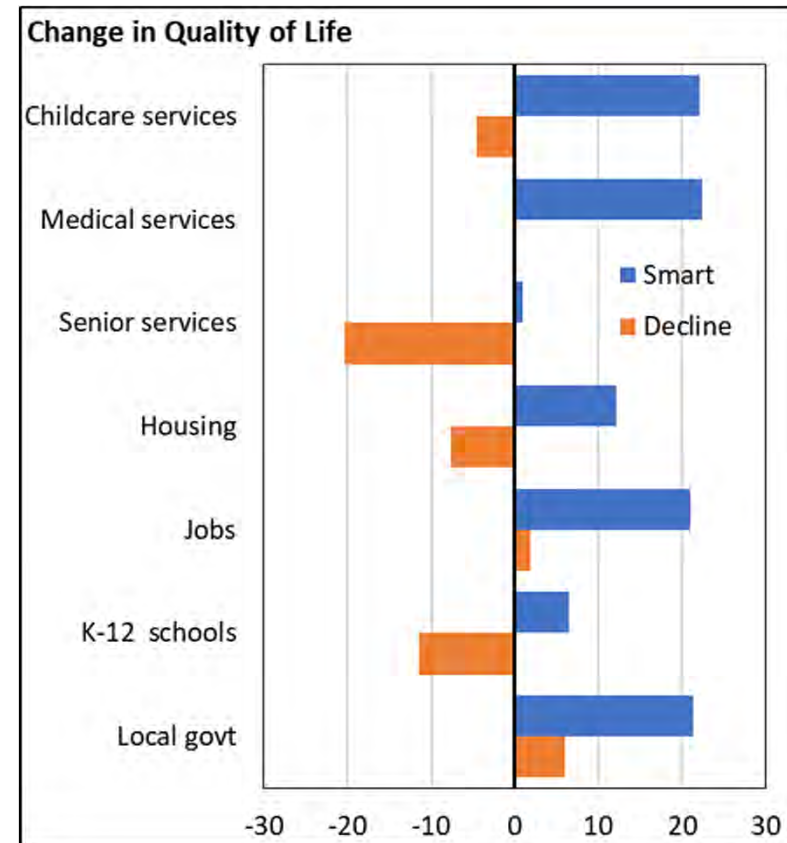
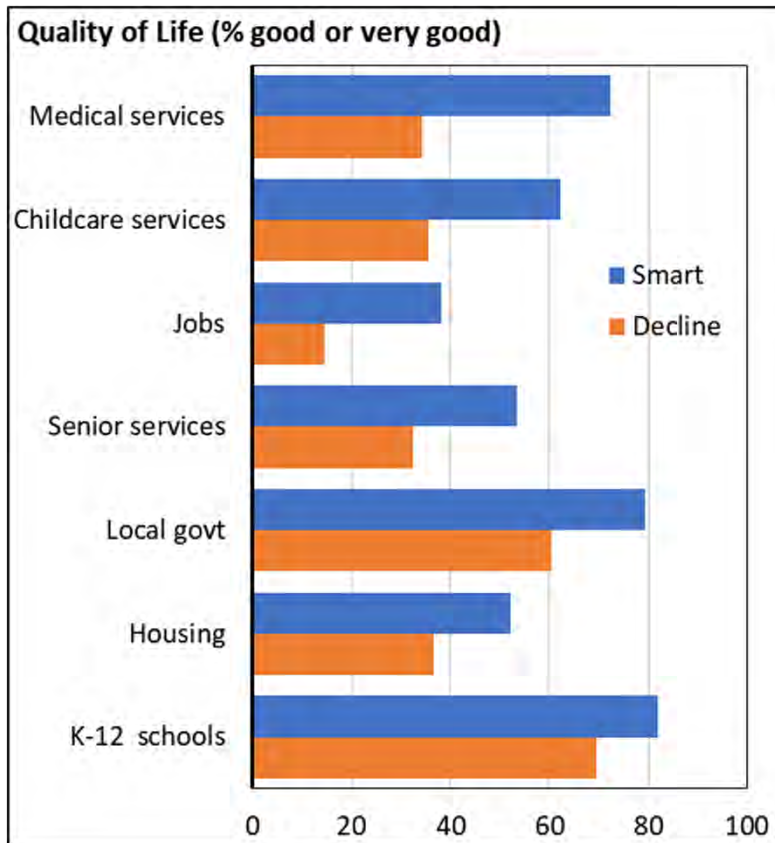
Why subjective QoL?

- Perceptions matter more to people.
- *Gas in 2011 was \$3.53/ga,
but \$4.51 when inflation-adjusted.*



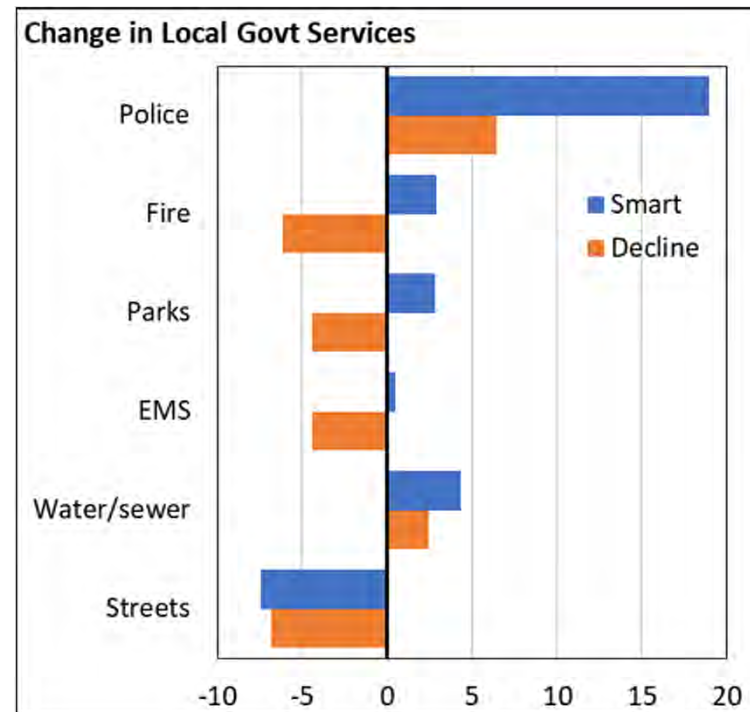
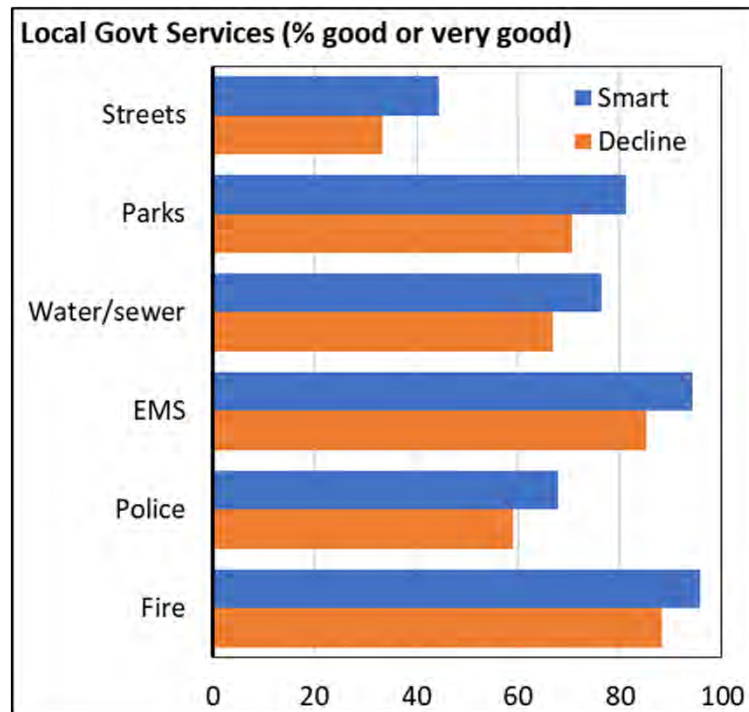


“Smart” shrinking towns have high and growing QoL ...





Fewer differences for local government services ...





Smartness not due to demography or geography ...

- Similar population, similar rates of decline
- No differences in age, race, or education
- Not near large cities, major highways, nor natural amenities

Except smart towns are ...

- Less densely populated
- Growing shares of elders
- More rural

	Base in 2010		Change from 1990	
	<i>Smart Shrinking</i> (n=11)	<i>Declining</i> (n=9)	<i>Smart Shrinking</i> (n=11)	<i>Declining</i> (n=9)
Demographics				
Population (#) ^{ab}	917	1,062	-10.85	-12.89
Population Density (sq.mi.) ^a	725	1,052 ^{***}	-87.63	-161.44 ^{***}
Minorities	6.36	3.99	5.20	3.00
Age 17 & Under	23.01	23.65	-3.28	-1.18
Age 65 & Older	24.17	21.69	1.73	-1.28 ^{**}
Single-Headed Families with Children	28.54	37.03 ^{**}	11.34	17.30 [†]
High School Non-Completers	12.98	13.70	-11.16	-11.98
4-Year College Graduates	13.64	10.91	3.89	1.66
Geographic (county)				
Urban to Rural Continuum Code (1-9)	6.90	5.72 [*]	0.05	0.75 [*]
Highway Density 5 mi Radius (sq.mi.*10)	1.68	1.99	<i>n.a.</i>	<i>n.a.</i>
Topographic Variation (1-21)	7.96	9.15	<i>n.a.</i>	<i>n.a.</i>
Water Area (%)	0.69	0.55	<i>n.a.</i>	<i>n.a.</i>



Smartness partly due to economics ...

- More employment participation
- More full-time full-year jobs
- Work closer to home

Middle-skill jobs!

- More goods-producing jobs
- Fewer retail & services jobs

More income equality!

- Same MHHI, but lower poverty
- Poor did not become poorer, and rich did not get richer

	Base in 2010		Change from 1990	
	<i>Smart Shrinking</i> (n=11)	<i>Declining</i> (n=9)	<i>Smart Shrinking</i> (n=11)	<i>Declining</i> (n=9)
Employment				
Employment Participation	45.76	42.89**	2.56	0.44
Full-Time & Full-Year Jobs	55.15	50.12**	4.16	-3.44***
Average Travel Time to Work (mins)	19.63	25.44***	0.99	4.67***
Agriculture & Natural Resources	4.56	4.96	-4.26	-3.60
Manuf., Const. & Mining	32.43	26.26*	6.51	0.04**
Transport, Telecomm & Utilities	8.57	7.43	1.31	1.58
Prof. Svcs., Finance & Real Estate	5.67	5.41	-3.45	-4.68
Health, Social & Education Svcs.	21.10	23.31	2.28	6.11**
Retail Trade & Leisure Svcs.	21.85	25.05*	-0.38	2.49*
Income				
Median Household Income (2010\$) ^a	\$40,729	\$39,890	20.28	15.56
Poverty	12.62	16.57**	-0.34	3.83**
Income Owned by Bottom 20% ^a	5.02	4.58 [†]	-6.55	-16.84 [†]
Income Owned by Top 20% ^a	42.60	43.34	1.15	4.91
Housing				
Occupied Housing Units	89.44	89.73	-3.24	-2.89
Median Home Value (2010\$) ^a	\$77,559	\$65,875*	55.07	47.44



What is “smartness”? Social infrastructure!

Social capital ...

- Trusting and supportive
- Openness and tolerance
- *Promotes attachment & identity*
- *Promotes collective action*

Civic minded ...

- More participation
- Support for projects
- *Projects get done*

Connected ...

- Local and outside groups
- *Ability to mobilize resources*

Confidence ...

- Town has a future, is worth the time & investment

	Base in 2014		Change from 1994	
	<i>Smart Shrinking</i> (n=11)	<i>Declining</i> (n=9)	<i>Smart Shrinking</i> (n=11)	<i>Declining</i> (n=9)
Bonding Social Capital				
Close Friends in Town	49.83	47.06 [†]	-4.24	-7.21 ^{***}
Relatives/In-Laws in Town	36.33	37.68	-5.02	-2.91 [*]
Not Trusting v. Trusting	70.97	64.77 ^{***}	2.34	-4.08 ^{***}
Indifferent v. Supportive	72.26	66.88 ^{***}	6.81	1.46 ^{***}
Bridging Social Capital				
Organizations Work for All	62.61	57.23 ^{***}	-6.08	-11.06 ^{***}
New Residents as Leaders	51.50	46.66 ^{***}	-6.08	-9.02 [*]
Prejudiced v. Tolerant	66.75	63.03 ^{***}	12.19	7.42 ^{***}
Reject v. Open to New Ideas	60.64	53.35 ^{***}	3.73	-3.83 ^{***}
Linking Social Capital				
External Organizations (#)	0.80	0.70 [*]	0.02	-0.06
Internal Organizations (#)	1.21	1.05 [*]	-0.53	-0.55
Civic Engagement				
Participated in a Project Last Year (%)	50.13	43.14 [*]	-0.34	-2.64
Community Support for Projects	58.61	50.06 ^{***}	-4.75	-12.15 ^{***}
Residents Involved in Decisions	64.22	60.93 ^{**}	-8.12	-11.07 ^{**}
Community Perceptions				
Dangerous v. Safe	82.10	76.81 ^{***}	4.96	0.02 ^{***}
Run-Down v. Well-Kept	71.45	58.83 ^{***}	0.44	-9.11 ^{***}
Town Has More Going for It	66.77	48.91 ^{***}	1.84	-8.68 ^{***}
Accepting of Different Races/Ethnicities	56.56	55.58	2.41	1.53



Ethic of local giving

- Town of 600, 4 foundations with assets of \$750k.

Projects led by community groups, not government

- Local govt doesn't help, but doesn't stand in the way. Active orgs.
- Larger towns hire active city managers who facilitate projects.

Openness of leadership ...

- Younger ones take charge, older ones write checks. Still White!
- Leaders share credit and mentor.

... but still need local “champions”

- More conveners than leaders.

Trying new ideas

- Failure OK. Odd ideas get discussed ... World's Popcorn Capital.

Socializing

- Lots of local events. Social media. Known as an active town.



Focus in needs within their control

- Daycares, fitness centers, senior transport. Avoids typical econ dev.
- Repurpose “symbolic” buildings.

Strong identity

- Source of pride to have better QoL than larger growing towns. Underdogs!

Not always been a “smart” town

- For some it happened last 5 years. Took 2-3 people who cared.
- For others they have always been a “progressive” town.

No one is coming to save our town

- Accepted it was up to them to save the community.

“Success” based on subjective NOT objective measures

- Younger families with children moving in. Still shrinking, but new vibe.









Have “smart” towns changed their growth mindset?

- NO. Still motivated by growing residents and jobs.

Have QoL investments slowed population loss?

- NO. One shrunk faster. One no change in losses. Another slower decline.

Is “shrink smart” possible in every small town?

- Most, but not all. Hard in small places and towns where people have given up.

So why do small towns do it?

Hope and confidence in the future
Happy with small victories
Commitment to community and each other
Civic life is one’s social life



Is population loss a major concern in your town?

How has shrinkage impacted QoL in your town?

What are the most pressing QoL concerns in Nebraska?

Should the state/federal government take some responsibility?