Rural Livability
As an economic development strategy

Dr. Amanda Weinstein
Director of Research, Knowledge, and Evaluation
Introductions

Amanda Weinstein
Director of Research, Knowledge, & Evaluation, Center on Rural Innovation

- United States Air Force Academy
- Air Force veteran
- Business analyst
- PhD, Ohio State University
  Agricultural, Environmental, and Development Economics
- Economics professor
  University of Akron
- Consultant
  various local, state, national, and international organizations
The Rural-Urban Divide

Looming Cuts to Emergency SNAP Benefits Threaten Food Security in Rural America

In a few weeks, pandemic-era emergency boosts to SNAP benefits, formerly known as food stamps, will be rolled back across 32 states.!

Feb 23, 2023

New Statewide Survey: Rural Wisconsin Residents Want Access to Internet Now and Don’t Care How They Get It

By David Neuen - September 15, 2023

Some digital divides persist between rural, urban and suburban America

American adults have made large gains in adopting digital technology over the past decade and have narrowed some digital gaps. However, rural adults remain less likely than urban adults to have home broadband and less likely than urban adults to own a smartphone, tablet computer or traditional computer.

Young and Homeless in Rural America

Most social services come through the schools — but it can be impossible to get to them.

Enrollment Declines, Funding Sources Put Wisconsin's Rural Schools In A Bind

Districts Like Adams-Friendship Contend With New Needs, Decreased Resources Districts

Taylor Patrilo, The Observatory

Health Disparities Affect Millions in Rural U.S. Communities
MANY SMALL TOWNS ARE STRUGGLING

Globalization, automation, decline in entrepreneurship, and the rise of the knowledge economy have disproportionately affected rural areas.

(Center on Rural Innovation, 2023; Devaraj et al., 2020; Goetz et al. 2018; Kilkenny and Partridge, 2009)

Change in population since 1950

“There was nothing about the town that particularly appealed to me, but the men were all courteous, kind, and businesslike”

—Frank Clayton Ball, 1887
High-amenity and metro-adjacent small towns and rural communities tend to fare better.

(Goetz et al., 2018; Mulligan, 2013; Deller et al., 2001)

Change in population since 1950
The areas defined as metropolitan in 1950 have since grown more slowly than the rural remainder of the country.

According to definitions from...

\[
\begin{align*}
\text{...1950} & \quad \text{...1973} & \quad \text{...2018} \\
\text{Rural} & \quad \text{Urban} & \quad \text{Urban}
\end{align*}
\]

“Mayors are shifting their focus from attracting firms to attracting residents by improving quality of life”

— The Economist, September 2021
Markets can reveal preferences for locations and for amenities.

Households are willing to pay higher housing prices and even forego higher wages to live in areas with higher quality of life.
THE LOCATION PREMIUM

Martha’s Vineyard, MA

Enon, OH
TRAVERSE CITY, MICHIGAN

“Half the pay for a view of the bay”
QUALITY OF LIFE

\[
\overline{QOL} = \hat{\theta}^r - \hat{\theta}^w
\]

Weinstein, Hicks, Wornell (2022)
Matters more for population growth and job growth

Especially true for small towns (micropolitan areas) and for the Midwest

(Austin, Weinstein, Hicks, Wornell, 2022)
SO, WHAT MAKES A PLACE NICE?
SO, WHAT MAKES A PLACE NICE?

➢ Recreation
➢ Arts and culture
➢ Better health
➢ Food stores
➢ Personal care places
➢ Proximity to a metro
➢ Low crime rates
➢ Good schools
➢ Work from home (broadband)
Question: What attracts innovative entrepreneurs to a location?

Answer: Talented workers, and the quality of life that these workers like. (Endeavor, 2014)
It’s a vicious virtuous circle

High quality of life places keep & attract more people
(Weinstein, Hicks, Wornell, 2022)

Small businesses can increase quality of life providing local goods & services we need and want
(Weinstein, Hicks, Wornell, 2022)

Growth of startups in the knowledge economy → local wealth creation & reinvestment → quality of life

Highly skilled workers more likely to start businesses in high-amenity places
(Conroy and Watson, 2023)

Higher quality of life increases business startups

Small locally owned firms can have a larger impact on economic growth
(Fleming and Goetz, 2011)
BUILDING A TECH ECONOMY ECOSYSTEM

Foundational Elements

- Housing
- Public Health and Safety
- Public-sector leadership and support
- Post Secondary Education Partnerships
- Culture and entertainment options
- Private and Nonprofit Sector Engagement
- Quality PreK-12 education and accessible childcare
- Attractive “live-work” downtown

Necessary Infrastructure

- Broadband Infrastructure
- Local Leadership Capacity
- Coworking and Entrepreneurship Spaces

Direct Drivers

- Scalable Tech Entrepreneurship Support and Incubation
- Access to Capital
- Inclusive Tech Culture Building
- Digital Workforce Development and Support
- Access to Digital Jobs

Outcomes

- Quality digital employment
- Local wealth creation by startups

QUALITY OF LIFE
Thank you

Amanda Weinstein

Email: amanda.weinstein@ruralinnovation.us

Website: https://ruralinnovation.us

Address:
2 Quechee Rd
Hartland, VT 05048

Phone: 802-436-4100

Social:
LinkedIn | Twitter | Facebook | Instagram | YouTube