

Rural Development - New Horizons



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Ask just about anyone living in a rural Louisiana community and he or she will probably tell you that the sun appears to be setting on our rural economy. To be sure, many of our rural communities are struggling in the new economy. What we have to remember, though, is that appearances can be deceiving. Where there are challenges, there are also opportunities, or new horizons, for those who dare to embrace these challenges.

The rural economy in Louisiana has traditionally relied on agriculture and manufacturing. In today's rapidly changing global economy, however, traditional agricultural enterprises and industrial recruitment can no longer be depended on to bring jobs to rural Louisiana. Socioeconomic forces that once encouraged industry to relocate to the rural South now lure manufacturing out of the country. Prices for agricultural commodities are at historically low levels while production costs have continued to increase. The rural economy, traditionally driven by agriculture and manufacturing, depends increasingly on retail trade and services. Those activities that encouraged rural development 10 or 20 years ago are not very effective today. It is time to rethink rural development and expand our horizons.

Scientists refer to these new ways of thinking as "paradigm shifts." We are in the midst of a major paradigm shift in rural development. Research on rural development suggests that we need to (1) approach rural development more comprehensively, (2) build on the existing strengths in rural areas and (3) consider new and innovative rural development strategies.

A Comprehensive Approach

Rural development can be defined in many different ways. At one end of the spectrum is a definition often used by business interests. According to this perspective, rural economic development is defined as activity relating to either industrial development or some form of economic growth in rural areas. This is a narrow definition of rural *development*, a concept that implies progress, because economic growth alone can occur without regard to human development and welfare.

At the other end of the spectrum lies the broader, more comprehensive definition. Rural development, according to this definition, refers to goal-oriented economic activity designed to improve the quality of life in rural areas. It generally involves some type of structural change in a community or other geographic area (parish, state) that enables that economy to respond positively to rapid changes in the environment. This comprehensive approach to rural development provides the groundwork for increased equity and access to economic opportunities. This second definition is consistent with the mission of the LSU AgCenter.

Rural development is sustainable when it is progressive and contributes to (rather than depletes) the resources on which it depends. Sustainable rural and economic development does not sacrifice the needs of the future for the needs of the present. Under this even broader definition, sustainable rural development can be perceived as activity that builds and maintains the following elements of an economic system:

- Agriculture
- Industry
- Workforce
- Physical infrastructure
- Human capital
- Social and civic infrastructure
- Natural, cultural and historical resource base

Building on Strengths

Traditional rural development strategies typically relied on identifying weaknesses or deficiencies in the local economy and recruiting businesses and industries that could fill these needs. One of the problems with that approach is that it can provide a quick, but not sustainable, fix. In today's global economy, capital is mobile and the "easy come, easy go" philosophy prevails. It is also an expensive approach to rural development. State and local governments throughout the United States spend an average of \$4,000 per job when they recruit industries. Most state and local governments today are hard-pressed to find those kinds of funds for industrial recruitment.

More recently, rural development practitioners have turned toward building on the strengths and assets that already exist in rural communities. This approach acknowledges the value of diversity in our rural areas. All rural areas have unique resources which can be employed for rural development. These unique resources can be thought of in terms of those seven elements listed in the previous section. Rural Louisiana, for instance, is particularly rich in natural amenities and heritage resources. Research from the U.S. Department of Agriculture indicates that today those rural communities that are growing are those that are rich in natural amenities.

Innovative Rural Development Strategies

Thinking outside of the box is a phrase that we hear frequently in the business world. It means to see things differently and to think about things in novel and creative ways. Those who can think outside of the box are embracing paradigm shifts. They are creative and innovative. Throughout the United States, we are seeing civically engaged rural communities that are thinking outside of the box. In some places, communities have improved their quality of life and the local business environment by building electronic villages. Entrepreneurs are emerging in those rural communities providing the appropriate social and civic infrastructure. "Lone eagle" entrepreneurs from urban America are moving into those rural areas with an abundance of amenities. Many are growing their enterprises. Producers in rural areas are becoming entrepreneurs, initiating value-added activities and adopting direct marketing strategies. Small manufacturers are working together in networks to capture the economies of scale previously available only to larger manufacturers. In other areas, farmers are working together with community groups in food systems marketing alliances and other cooperative ventures. The demand for eco and agri-tourism opportunities is exploding. Tourists don't want to visit artificially contrived attractions; they want authentic educational experiences, recreational opportunities and adventures. In all of these cases, which illustrate only a few of the new strategies, rural residents and rural communities dared to think outside of the box and be innovative.

New Horizons for Louisiana

Yes, today rural communities are struggling in Louisiana. We acknowledge the challenges we face. Yet, tomorrow, these same rural communities could be engaged in some exciting rural development activities because opportunities are always embedded within these challenges; however, we cannot identify and implement the new opportunities until we make some changes in the way we think about rural development. First, we have to envision rural development in a broad sense, and we must bear in mind the importance of the quality of life in our rural communities. Second, we have to build on the existing strengths in our rural communities. Third, we need to dare to be creative and innovative. The LSU AgCenter is ready and willing to help you and your community see and create new horizons. For more information about the activities of the LSU AgCenter's Community Economic Development Team, contact me at (225) 578-2367 or dtootle@agcenter.lsu.edu.