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Urban and Rural: Opposites No More!

Peter Schaeffer¹, Scott Loveridge², and Stephan Weiler³

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Although rural and urban are often treated as opposites,¹ they are complementary parts of the national (and regional) economy, and familiarity with only one of them limits understanding of the whole. “An entire economic system cannot be understood unless there is reliable knowledge about both rural and urban elements, including their interactions” (Castle, Wu, & Weber, 2011, p. 179). This is what motivates this special issue of *Economic Development Quarterly*, which introduces readers to topics in rural research that are commonly published in specialized journals and therefore reach only a small subset of economic development professionals. Because of their location in major population centers and their scale, urban economic development issues and projects tend to receive more attention in academic journals and popular news media than rural economic development. In particular, the latter very rarely makes national news (for a collection of rural economic development case studies, see Schaeffer & Loveridge, 2000).

For the interested reader, Irwin, Isserman, Kilkenny, and Partridge (2010) review a century of rural research from which they draw policy-relevant lessons. The first lesson, and one we want to stress, is that the rural economy is no longer primarily an agricultural economy; the rural–urban dichotomy of times past no longer exists (see also Drabenstott, 2001; Goodall, Kafadar, & Tukey, 1998; Isserman, 2005; Schaeffer, Kahsai, & Jackson, 2013). As the rural economic base has changed from farming and agriculture to manufacturing and services, it has become more similar to that of urban places (Dubink, 1984; Henderson & Weiler, 2004a, 2004b). Some rural places became more than just more similar and became urban. In the first half of the 20th century, rapid urban population growth was the result of rural-to-urban migration, whereas a large part of urban growth since then has come from urban spread and expansion into surrounding rural areas. “In the metropolitanization of 1950s rural America . . . the people did not leave. Urban America came to them. One-third of the residents in 1950 rural America were absorbed into urban America without leaving home” (Isserman, 2001, p. 41). For more information on the “changing American Countryside,” see a collection of essays edited by Castle (1995; the quote is part of the book’s title). On international issues related to urbanization, see Champion and Hugo² (2004), and for a historical perspective, see Clark (1998) and Goldfield (1990).

It is impossible to present all major issues in American rural economic development within the confines of a special issue, and we therefore had to choose a few from a large number. We chose research that had already been screened for significance and academic merit by passing the rigorous review process associated with a competitive federal grant program. All research presented here was funded by grants

from the Agriculture and Food Research Initiative (AFRI) program of the U.S. Department of Agriculture (USDA). We acknowledge the encouragement by Dr. Suresh Sureshwaran, national program leader for the USDA’s Small Business Innovation Research Grants program. The USDA is the largest federal source of funding of rural and regional research and of rural economic development projects (Schaeffer, Jackson, & Bowen, 2010). The role of the USDA as a major funder of regional and rural economic development goes back to the days when agriculture and forestry were a dominant industry in most rural regions and, therefore, agricultural policy was also rural policy. Now that this is no longer the case, the USDA’s mission in supporting rural America goes beyond promoting agriculture.

The seven contributions that constitute this issue can be roughly separated into three groups. The first group consists of two articles that focus on agriculture and study how this traditional rural sector can contribute to economic growth and development. Both research projects consider community-focused agriculture. As interest in locally grown foods has grown in recent years, there are opportunities to enhance farm incomes, provide consumers with healthy farm-fresh food, and keep more food dollars in the local and regional economy. The interest in regionally grown food is by no means limited to rural areas but is also popular in some of our most urban places, and a growing number of restaurants specialize in serving fresh seasonal fare.

The next three contributions constitute a group of research that looks at rural businesses and entrepreneurs. Komarek and Loveridge study firm size distributions and economic growth, with particular attention given to high-poverty rural areas, and Goetz and Rupasingha take a look at determinants of self-employment growth. The third contribution in this group differs significantly from the first two. One difference is the methodology. While the authors of the first two articles use standard econometric modeling, Moon, Farmer, Miller, and Abrea present the results of a survey without additional statistical analyses. The second difference, because they collect their information through a survey, is the low level of aggregation. Rural research that relies on federal data is usually not available below the county level. The final difference is the population being studied. Large-scale permanent immigration used to be an urban issue, whereas immigration to rural areas consisted mostly of seasonal farm workers. This has begun to change, and the study

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by Moon et al., though not representative for the whole United States or even the larger region, sheds some light on a new and growing rural immigration phenomenon.

The third and last group contains two research projects, both of which are tied to natural resources. Pender, Weber, and Brown provide guidance on how energy opportunities could contribute to rural wealth creation. The importance of wealth in sustained economic development is often excluded in empirical studies because reliable information, particularly about household wealth, is not readily available. This is unfortunate because many households experience crises because they lack the wealth to deal with temporary setbacks in employment and earnings, or when a member suffers serious health problems. The last article in this special issue fits within the parameters of natural resource economics. Keske and Mayer's research looks at willingness to pay for recreational services in national forests. User fees could be used to regulate visits in high-traffic or sensitive areas, make a contribution to the regional economy, and possibly generate support for preservation relative to competing uses.

In summary, with this special issue of *Economic Development Quarterly*, we hope to communicate the following. First, urban and rural places and economies are no longer opposites but have become more similar and are two interlinked parts of the regional and national economy. Second, even in rural regions, agriculture provides a comparatively small number of jobs. On average, manufacturing (e.g., Gale, 1998) and particularly services are the most important sources of employment. Third, many national supply chains include urban as well as rural producers.

Finally, we acknowledge again that the topics discussed here are not exhaustive and not even representative. Therefore, all we hope to accomplish here is to stimulate interest in rural economic development and its relationship to urban economic well-being on the part of a larger segment of economic development professionals.

Notes

1. Rural has the same etymological roots as rustic, that is, simple, primitive, unspoiled, or unadorned, which express the opposite of the meaning of urban. This is also evident if in place of the word rural we use country, which shares etymological roots with the word contra (Schaeffer, Kahsai, & Jackson, 2013). The etymological roots reflect that at one time city and country or urban and rural were opposites of sorts, but this is no longer the case in the United States.
2. The subtitle of Champion and Hugo (2004), "Beyond the Urban-Rural Dichotomy," reflects the same conclusion as that found in most of the other references listed in this introduction.

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Peter Schaeffer is professor of regional economics and policy at West Virginia University (WVU). His primary research interests are regional and rural economic development and policy, international labor migration, domestic job mobility, natural resource management, and historic preservation. Dr. Schaeffer earned his Ph.D. in economics from the University of Southern California.

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