

# **Structural Transitions in Global Agriculture**

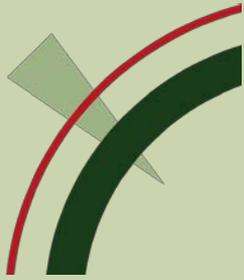
**Risks to the Rural Landscape Session**

**Federal Reserve Bank of Kansas City**

**July 15-16, 2014**

**Kansas City, Missouri**





## Risks to the Rural Landscape

July 16, 2014



# My Presentation

*Federal Reserve Bank of Kansas City*

*07.16.14*



**Part 1**

**Agriculture and Rural Communities**

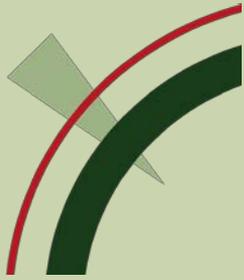
**Part 2**

**Rural Community Vitality & Prosperity**

**Part 3**

**Three Stories of Hope from the Field**





## Agriculture and Rural Communities

### Part 1



# The Viability of Agriculture

- **Global Warming**
- **Climate Change**
- **Weather Volatility**
- **Urbanization**
- **Recreation**
- **Water or Lack Of...**
- **Federal Farm Policy**
- **Etc...**



# Foundation of Economies

*There are fewer and fewer farm and ranch dependent counties and communities in the United States.*

*But for those communities where production agriculture is king and the anchor economic force ... changes in production agriculture are driving fundamental and lasting changes in the rationale and future of rural communities.*

*Chronic and severe depopulation of farm dependent rural counties is a direct result of long-term trends and transformation in farming and ranching.*

*Rural communities either innovate or decline.*



# Trends in the Ag Sector

- **Mechanization**
- **Industrialization**
- **Specialization**
- **Consolidation**
- **Fewer Farms & Ranches**
- **Fewer People Needed**
- **External & Bulk Purchasing**
- **Fewer Towns Needed**



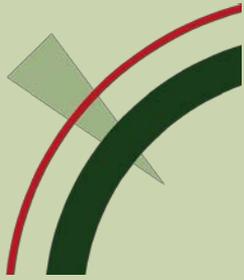
# FD Rural Community Trends

**Brain Drain.** *Loss of young people from rural communities. More appropriately not “brain drain” but the loss of those capable of risk taking.*

**Wealth Drain.** *When rural communities lose significant numbers of younger people, they eventually lose older residents who follow children and grand children. This drains wealth from rural communities.*

**Cultural Homogenization.** *Or the reduction in cultural diversity.*

**Competitiveness, Diversity, Resilience & Prosperity.** *Farm dependent communities generally are seeing erosion in all four of these long-term thriving indicators.*

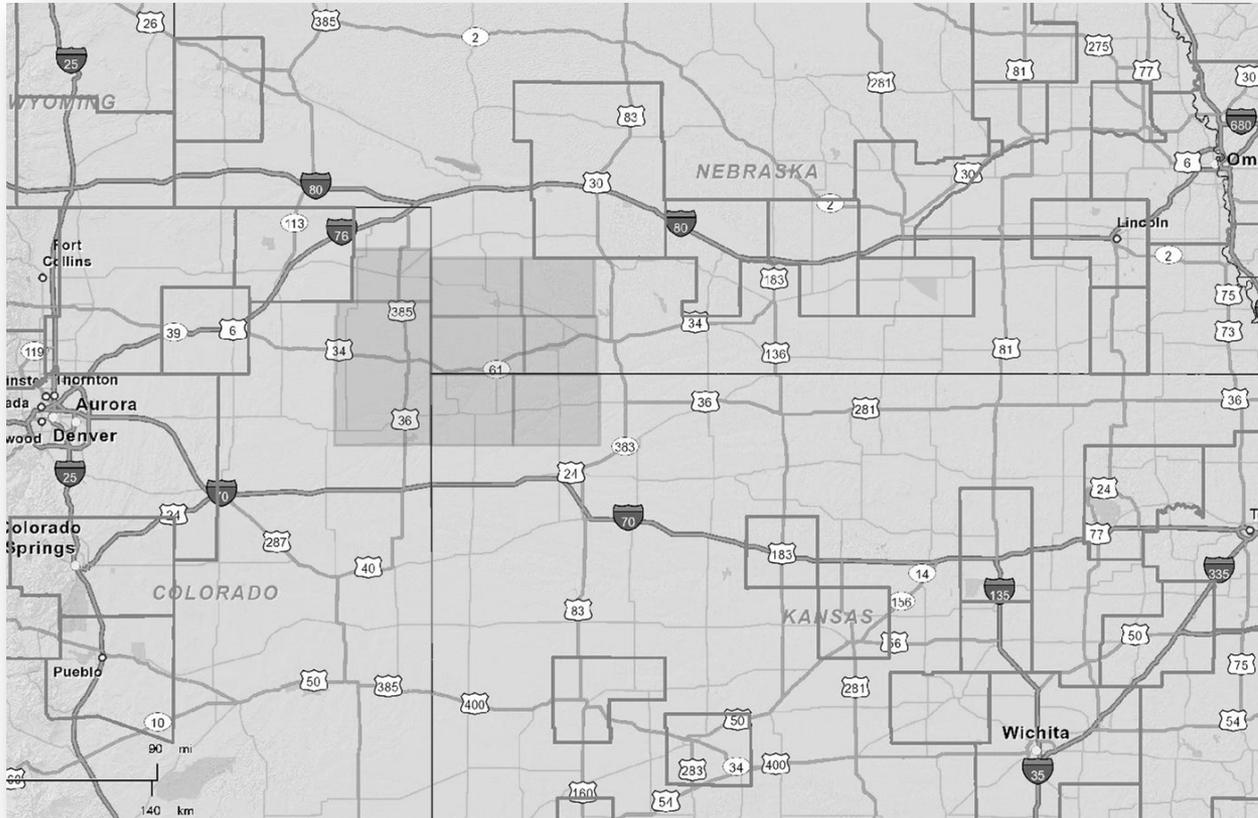


## Rural Community Vitality and Prosperity

### Part 2



# Illustration – Tri-State Region



**Tri-State Region:**  
Phillips County, CO  
Yuma County, CO  
Rawlins County, KS  
Cheyenne Co., KS  
Chase County, NE  
Dundy County, NE  
Hayes County, NE  
Hitchcock Co., NE

# Profile of the Tri-State Region

- 8 Counties
- 2010 Population = 30,000
- Chronic & Severe Depopulation
- Farm Dependent
- *92% White (Median Age 44)*
- *13% Hispanic (Med. Age 24)*
- *84% Fit Two Household Types*
- 21% over 65
- 24% Under 18
- 55% Between 18 and 65



# What Drives the Economy?

## Base Economic Sectors:

- 1 – Farming & Ranching - \$487 million
- 2 – Retirees - \$458 million

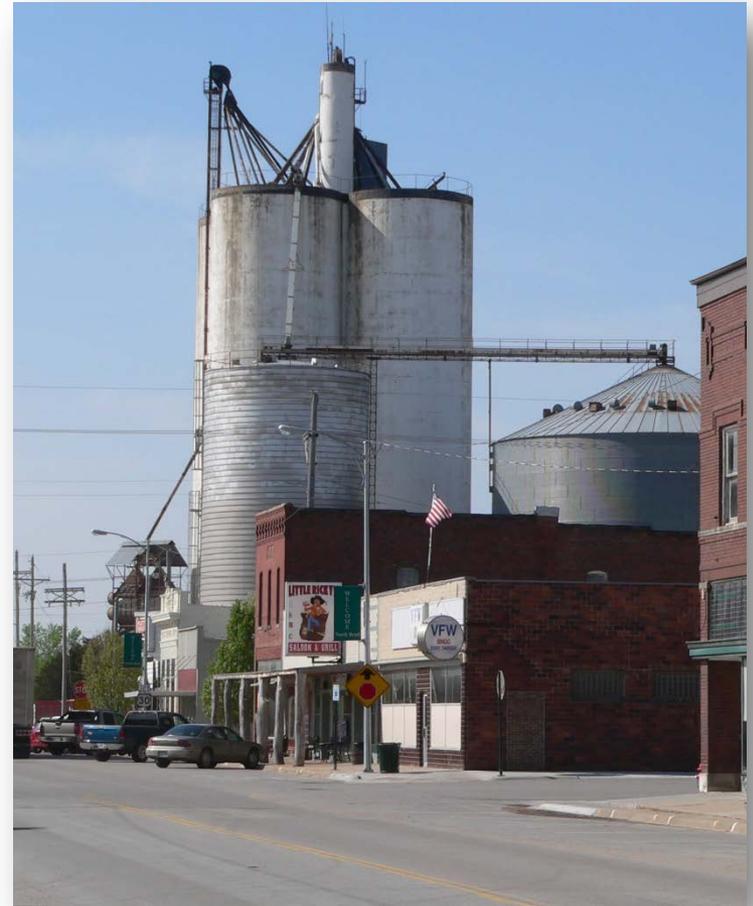
## Secondary Economic Sectors:

- 1 – Government - \$154 million
- 2 – Retail Trade - \$44 Million
- 3 – Ag Support Services - \$27 million

**Retail Demand - \$288 million**

**Retail Supply - \$180 million**

**Leakage - \$108 million**



# Resident's Wealth Status

## Household Current Net Worth:

No Wealth - \$32.9%

Low Wealth - \$ 22.2%

***55.1% with Limited Net Worth***

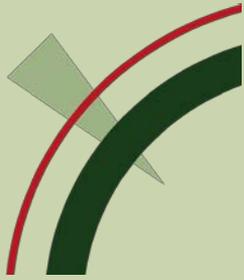
Medium Wealth - 34.4%

High Wealth – 10.5% - 1,311 households

*The thinning out of population is resulting in more uneven wealth distribution and resident well-being.*

*Source: ESRI, May 2014*



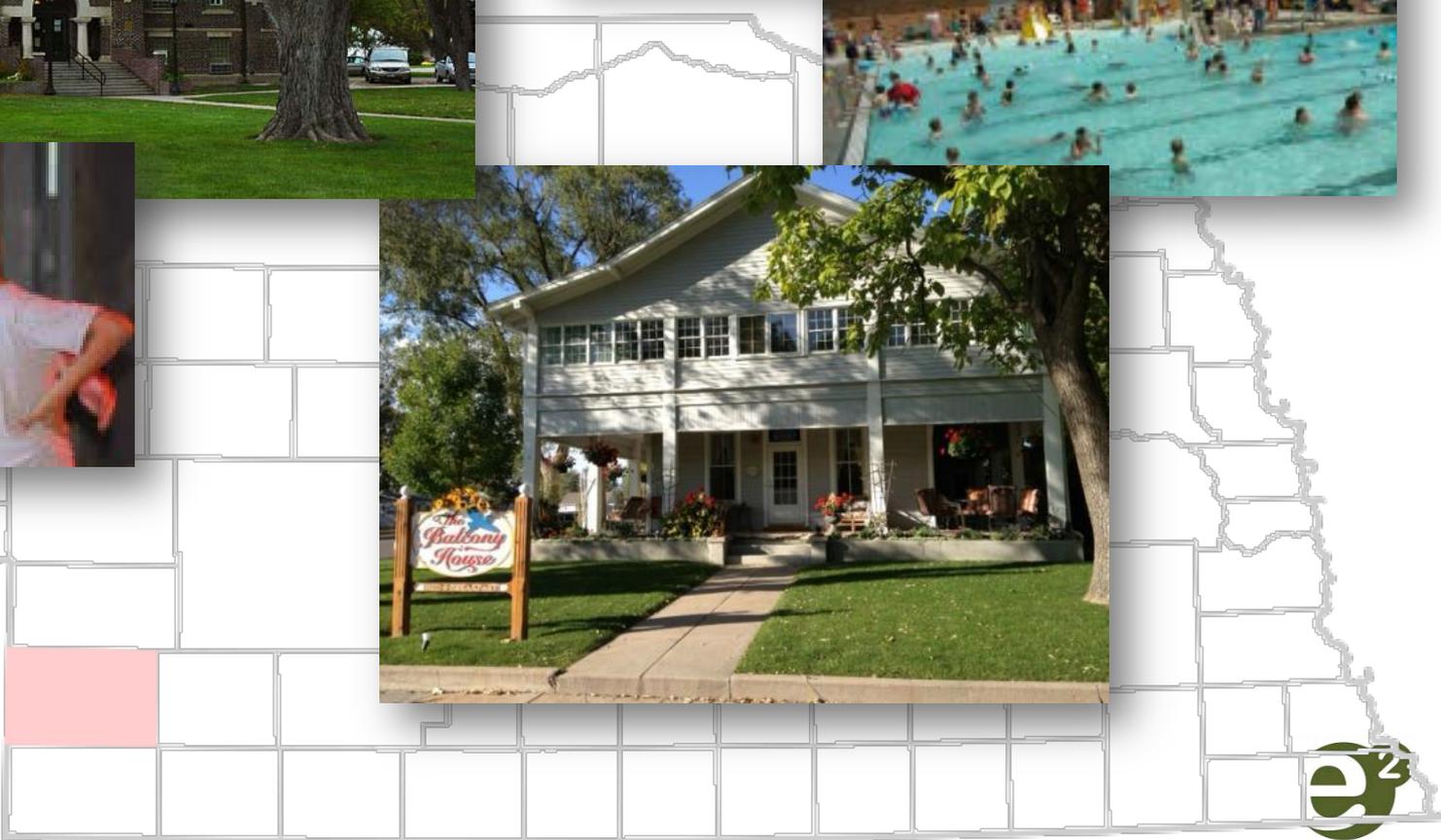


## Three Stories of Hope From the Field

### Part 3

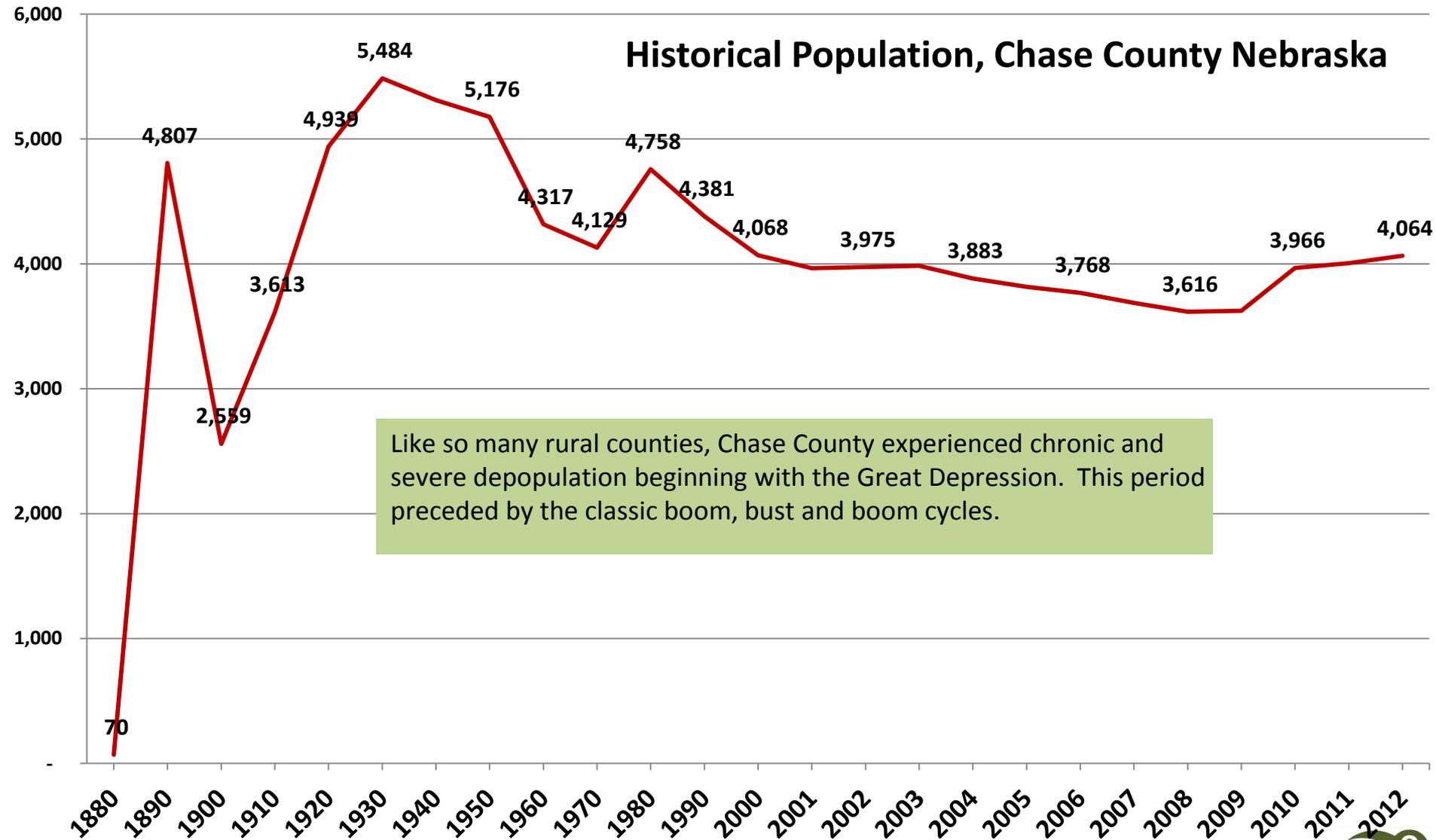


# Imperial - Chase County



# Chase County, Nebraska

## Historical Population, Chase County Nebraska

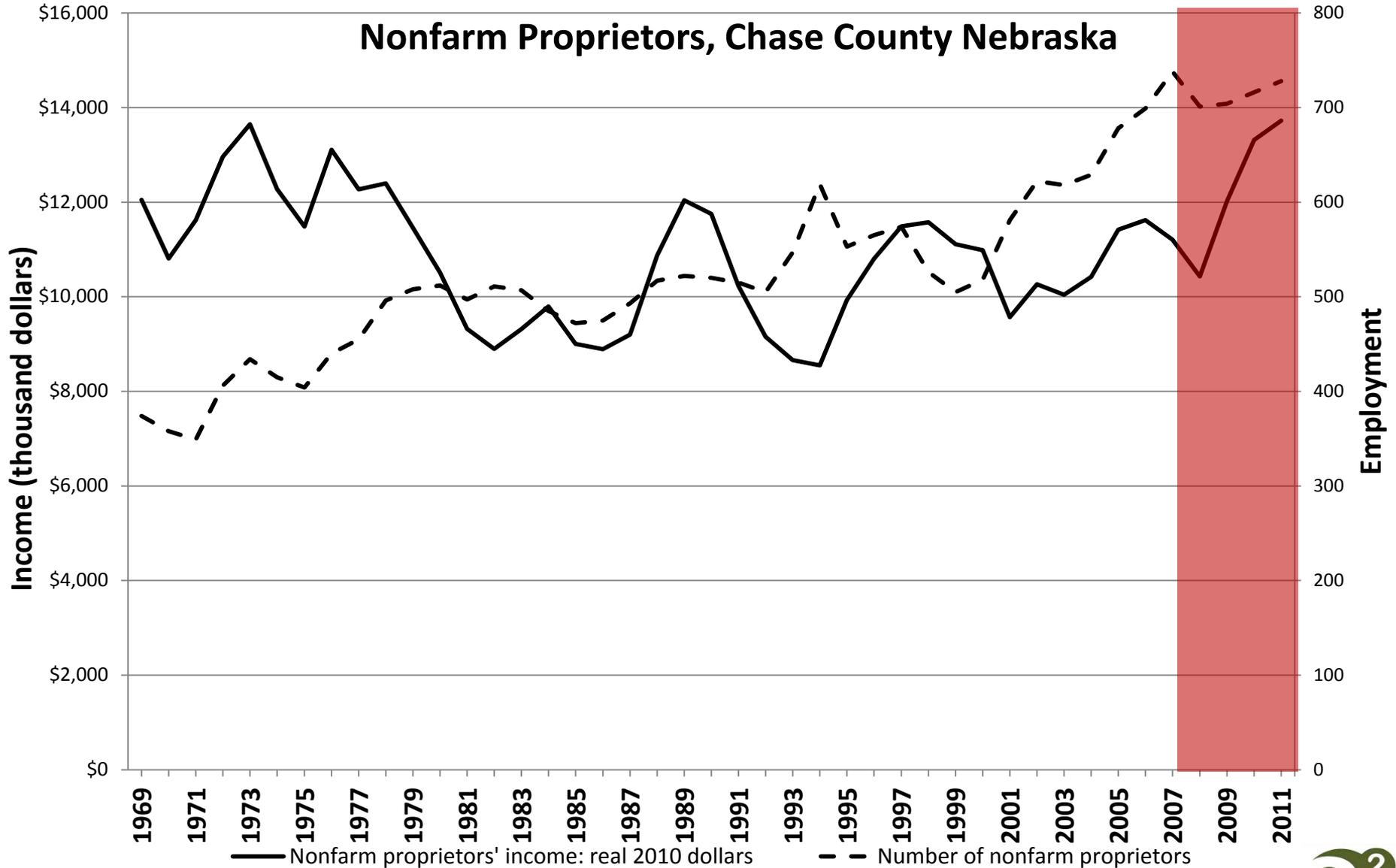


Source: U.S. Census Bureau



# Economic Rebound

## Nonfarm Proprietors, Chase County Nebraska

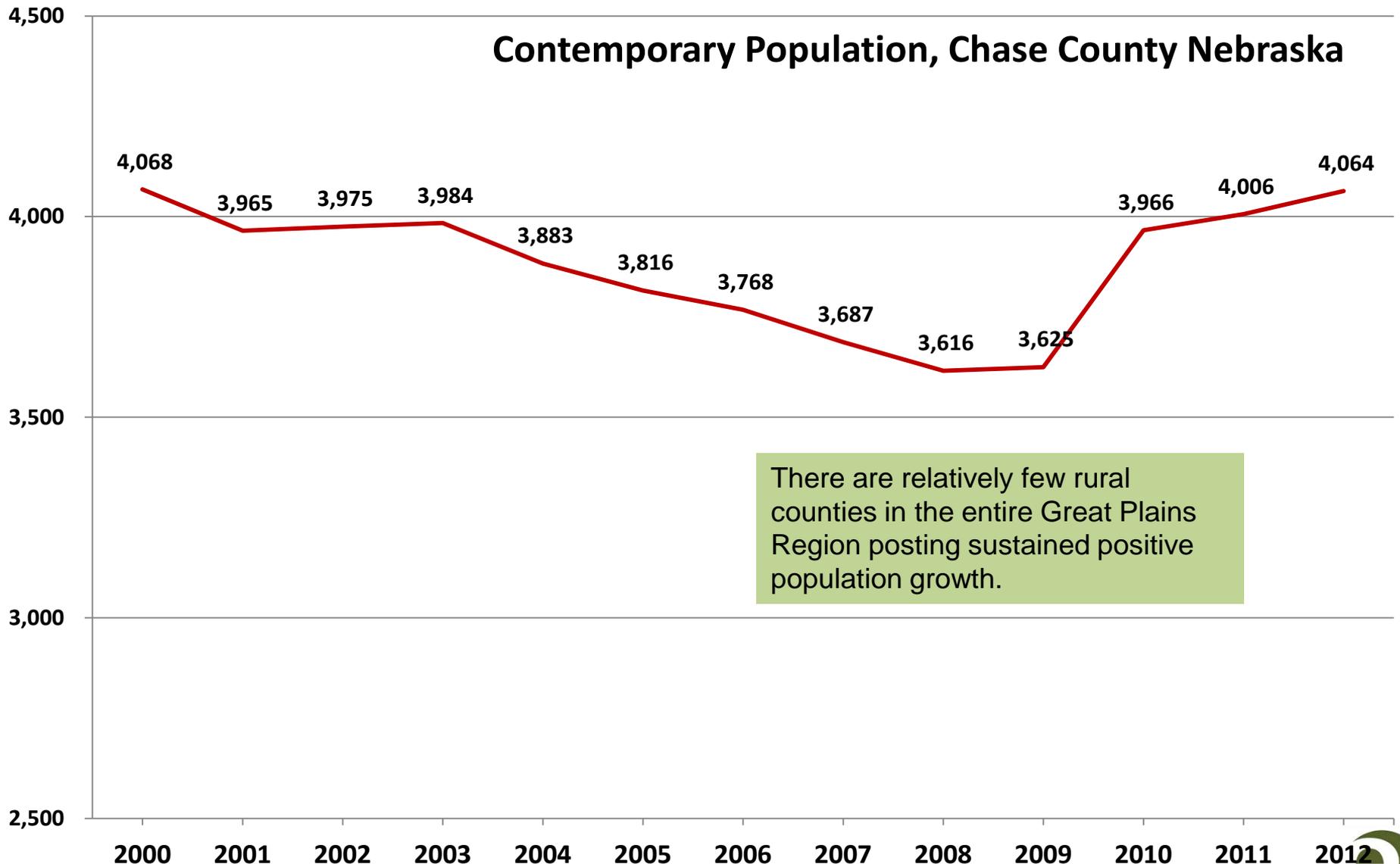


Source: Bureau of Economic Analysis



# Community Renewal

## Contemporary Population, Chase County Nebraska



There are relatively few rural counties in the entire Great Plains Region posting sustained positive population growth.

Source: U.S. Census Bureau



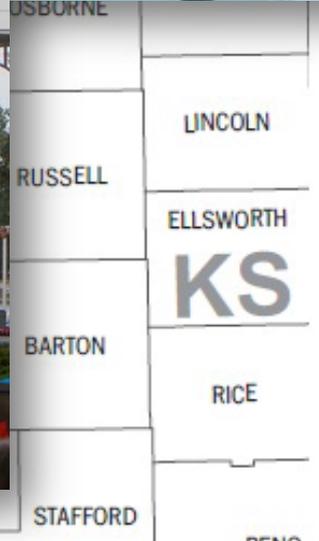
# Russ & Allo Communications

Russ and his wife own the local twice weekly newspaper in Imperial. He a former high school class mate created Allo Communications. Today they are one of the breakout companies fueling Chase County's revitalization. Allo Communications is competing head up with the likes of SPRINT and Century Link.

**Russ and Allo are charitable and through gifts to the Chase County Community Foundation they are supporting workforce development and educational opportunities for youth.**



# Atwood – Rawlins County



LINCOLN  
OWLEY

SHEPHERD  
WALSH  
GREEN

HAMILTON  
KEARNY  
FINNEY  
HODGEMAN

OSBURN  
RUSSELL  
BARTON  
STAFFORD

# Projects for Community Betterment

1999

Begin renovations of city water tanks and transmission lines.

2003

Atwood Beautification Committee forms and adds lampposts, benches, planters, trash receptacles and tree.

2003

Rawlins County Health Center receives stimulus grant for construction updates. \$7 million loan from USDA provides funding for expansion and renovation.

2008

The "Garden Project," a community beautification/life skills teaching project is begun.

2008

Lake Atwood lake bed resealed, lake refilled. KS Dept. of Parks and Wildlife stocks it with fish in 2009.

2009

Dental clinic brought to Atwood after three years of effort.

2010

Construction begins on a new music room addition at Rawlins County High School.

2010

Movie theater renovated- digital projector / 3D system

2010

"Atwood Boulevard" and other miscellaneous downtown beautification projects commence.

2010

Disc golf course built around Lake Atwood spearheaded by Atwood FFA Outdoor Wildlife Learning Site committee reorganized.

2011

Pool project completed at a cost of \$1.3 million dollars.

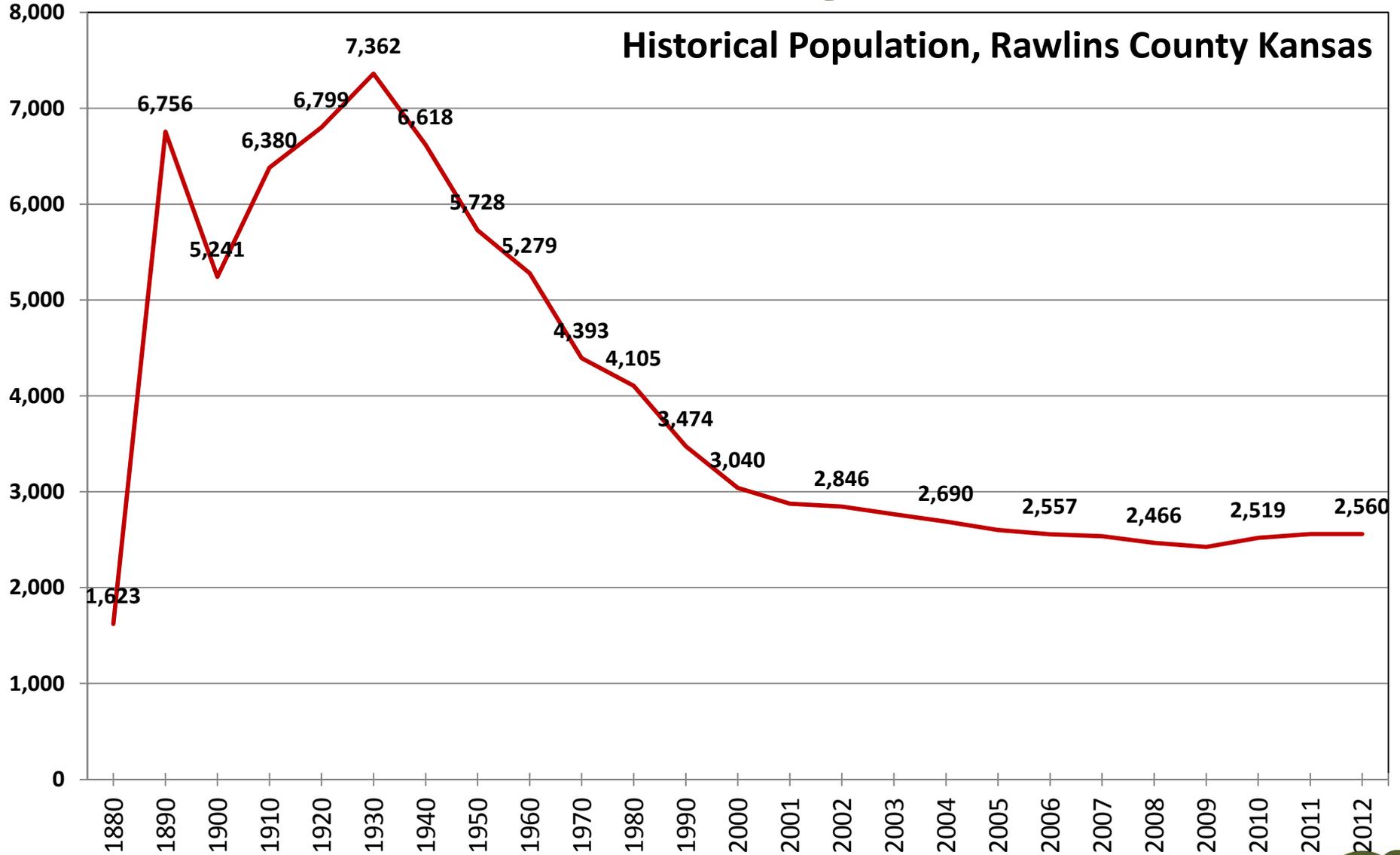
2012

The 60-year-old Rawlins County Health Center completed a \$1.2 million renovation and expansion including new cardiac rehab and physical therapy.



# Rawlins County, Kansas

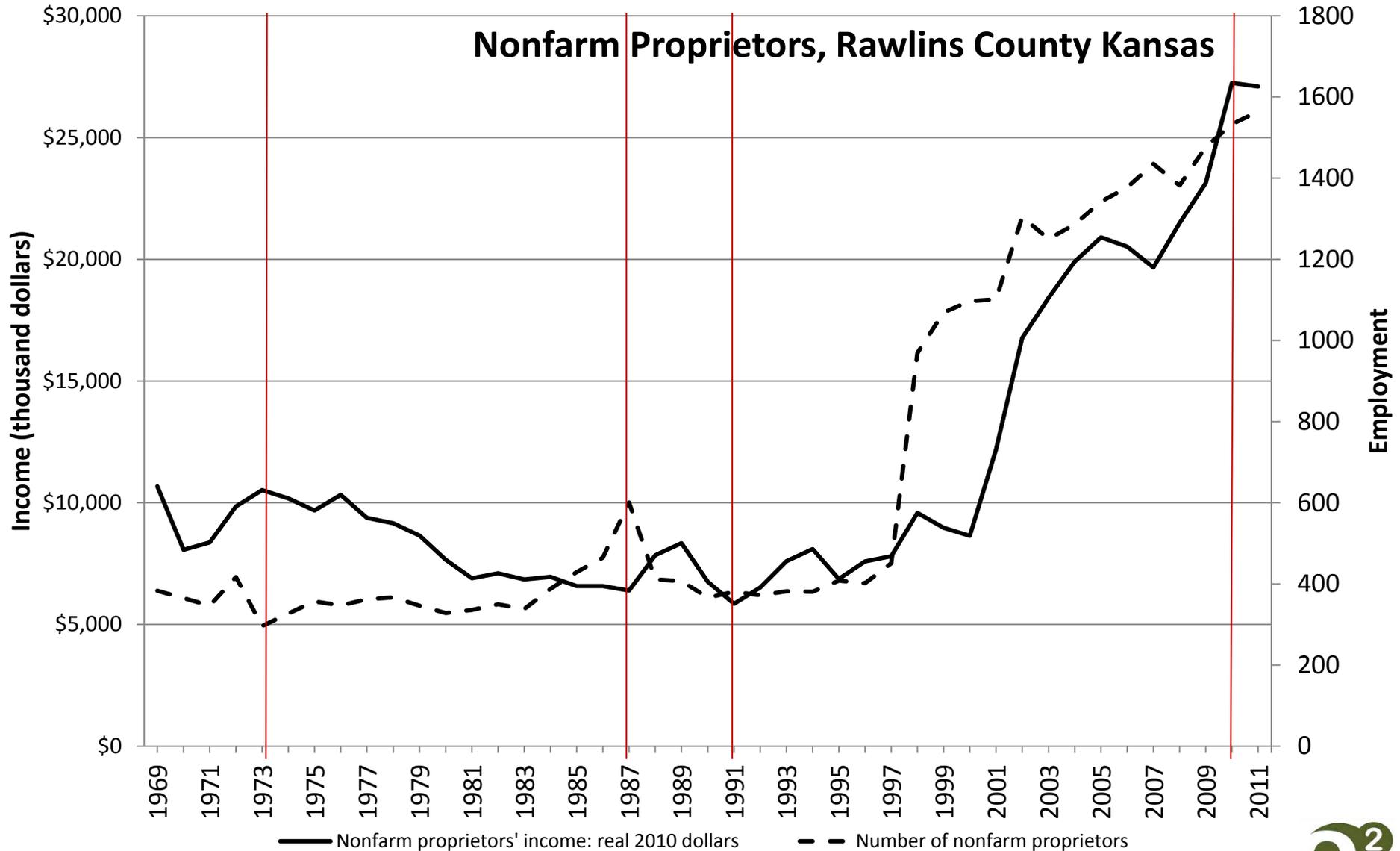
## Historical Population, Rawlins County Kansas



Source: U.S. Census Bureau



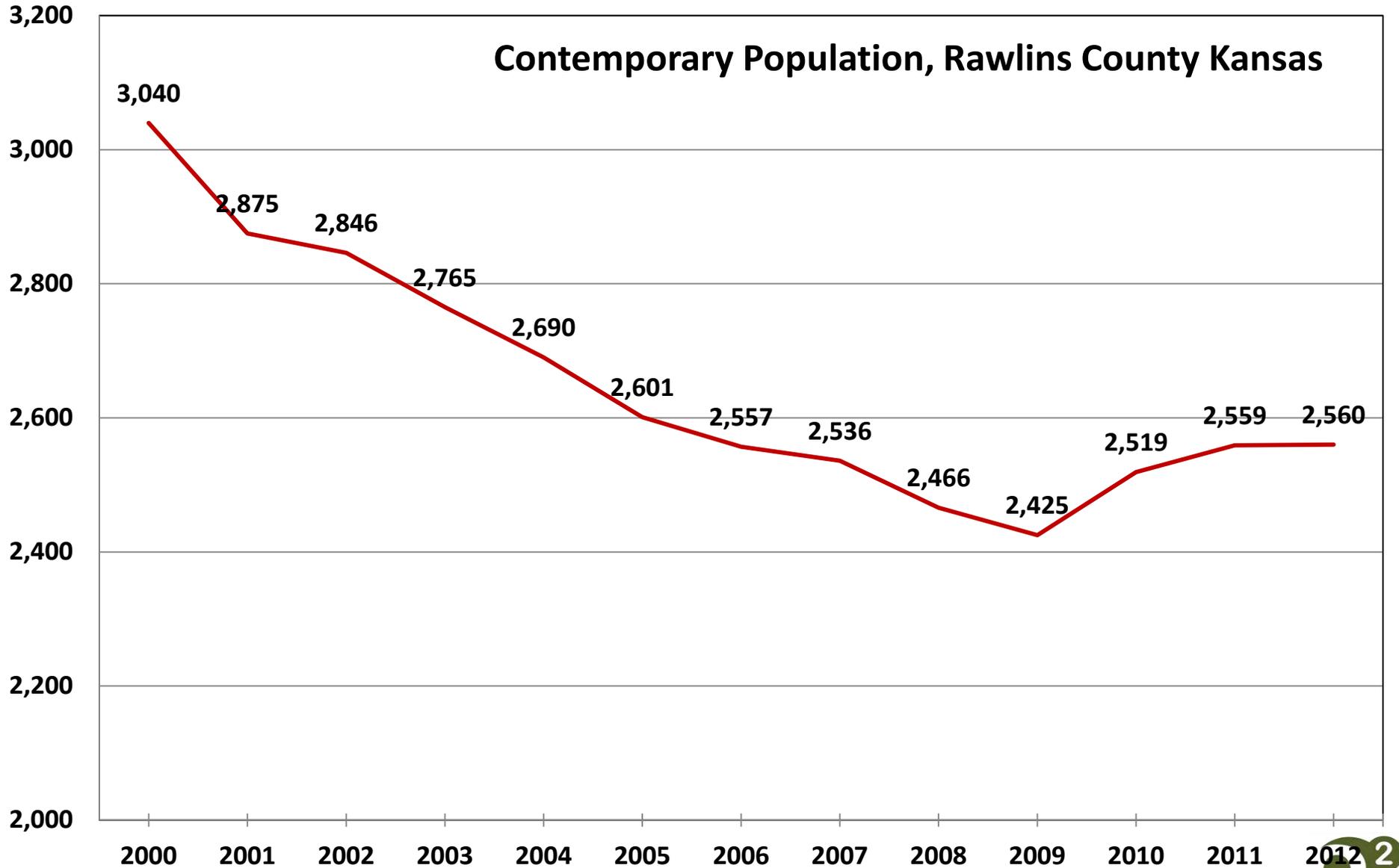
# Economic Rebound



Source: Bureau of Economic Analysis



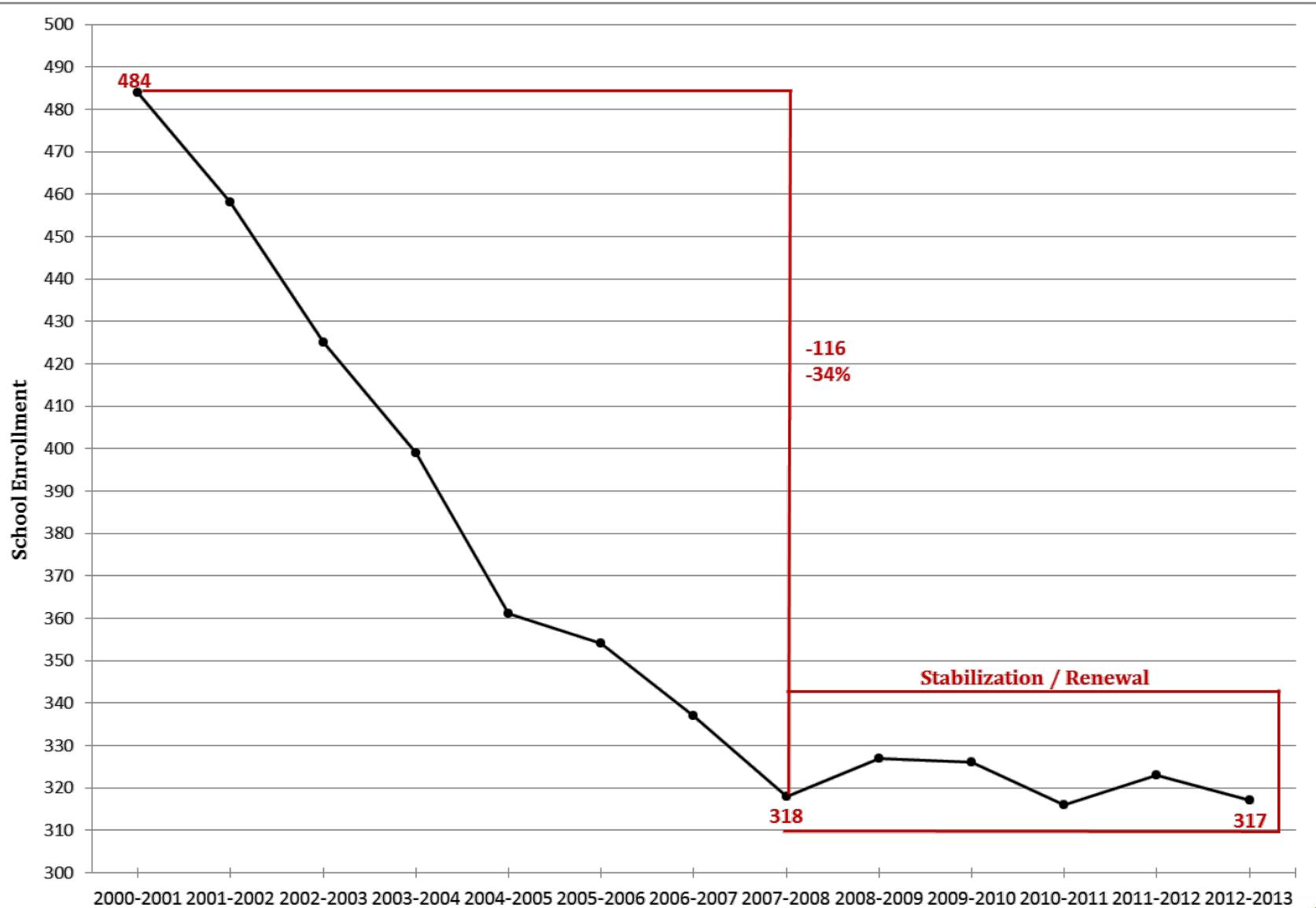
# Community Renewal



Source: U.S. Census Bureau



# School Enrollment

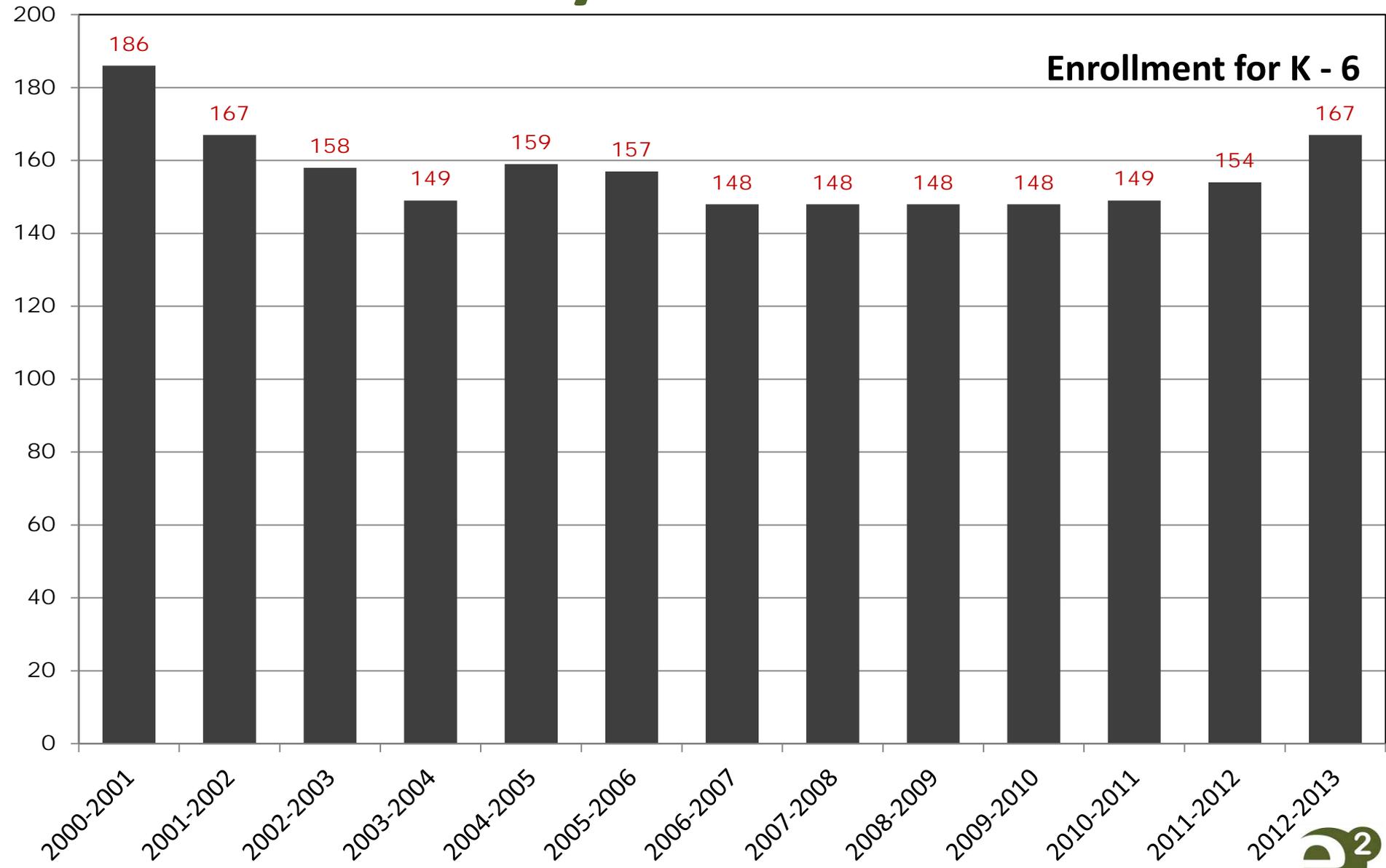


Source: Kansas Department of Education & Kansas USD 105, 2013



# Yearly Enrollment

Enrollment for K - 6



Source: U.S. Census Bureau



# Chris Sramek



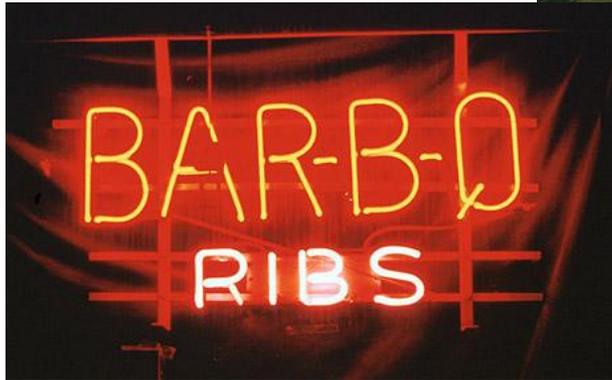
Chris grew up in Atwood, left and come home by choice. He has been a visionary and driving force in the turnaround in Rawlins County.

# Leon Atwell



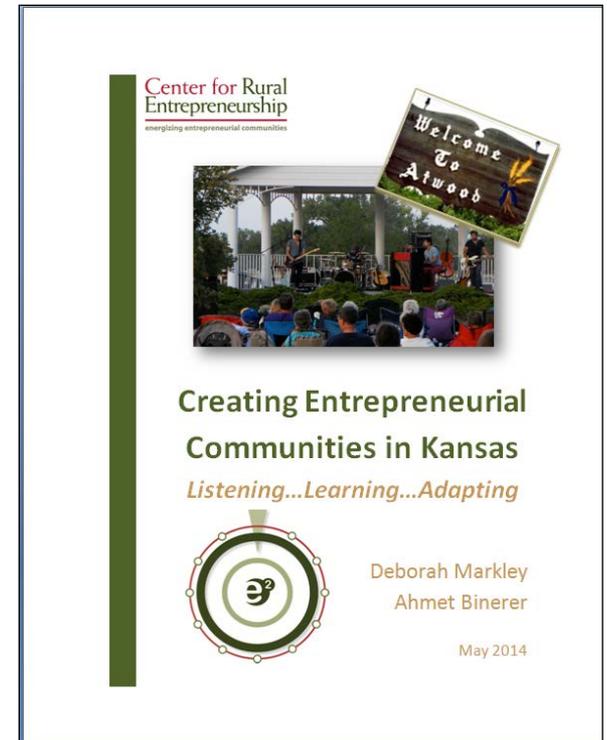
Leon has been a community coach to Rawlins County and Chris. He has played a catalyst role empowering this community.

# Entrepreneurial Kansas?



# YES!

- More than a **decade of evolution** of entrepreneurial development in the state
- **Collaborative effort** – both in terms of policy and practice
- Powerful **public – private partnerships**
- Orchestrated and implemented by **social and civic entrepreneurs**



# KS Entrepreneurship Milestones

# Center's Kansas Engagement

2001

Kansas Sirolli Initiative Begins  
2001-2003

2001

Early Kansas Meetings with Wally Kearns, Patty Clark, Leon Atwell & John Cyr

2004

KS Economic Growth Act Passed

2003

Center Sirolli Evaluation Conducted  
2003-2005

2005

NetWork Kansas Formed

2003

HTC Institutes Held  
2003-2005

2006

Steve Radley & Erik Pedersen Hired  
StartUp Kansas Begins

2008

KS Farm Bureau Hometown Prosperity Initiative

2007

E-Community Partnership Rolls Out  
2007-Present

2009

2008-2009  
Rawlins County  
Chatauqua County  
Onaga

2011

Economic Gardening

E-Community Partnership Refocused

2010

KS Entrepreneurial Communities Initiative  
2010-2011

2013

E-Community Partnership Moves to Metro

2011

E-Accelerator Launched  
2011-Present



# Entrepreneurial Milestones in Kansas

- **2004 Economic Growth Act** – public focus on and support for entrepreneurship
- **2005 NetWork Kansas** – hub of a resource collaborative; powered by SourceLink
- **2007-2010 “Ground Game”** – E-Community Partnership and HomeTown Prosperity/E Communities Initiative
- **2011 Accelerating Impact** – E-Accelerator, Economic Gardening...



# Lessons from Kansas

- Importance of **collaboration and connections**
- **Positive role** for government action
- Community **engagement and ownership**
- **Documenting** success
- Long-term strategy – **long-term commitment**
- Power of **social and civic entrepreneurs**

*“Build strong, meaningful partnerships with those that share your mission and empower them to help you deliver your products and services.”*

*Corey Mohn, Director of Statewide Programs,  
NetWork Kansas*

*“We didn’t want to be a state program; we wanted to get in the dirt.”*

*Steve Radley  
President and CEO, NetWork Kansas*

*“This takes time and you need to keep working at it. You need to be persistent and have faith in the future.”*

*Jeff Hofaker, Phillips County Kansas  
E-Community Partner*



# ACHIEVING IMPACT

2007 to 2013 → 6 Years

## ACCESS

Resource Navigator – 74 →  
179/month  
Calls – 23 → 192/month  
Active Contacts – 5 → 436/month  
Partners – 9 → 500+

## REACH

44 E-Communities  
39 Counties – 37% of Geography  
Now Metro:  
Kansas City & Wichita

## SERVING THE UNDER-SERVED

86% Under 25,000 Population  
70% Under 10,000 Population  
57% Under 5,000 Population  
17% Under 1,000 Population

## DEVELOPMENT IMPACTS\*

Nearly 400 Deals  
\$61 Million in Capital  
1,060 Full-Time Jobs  
865 Part-Time Jobs

## CONTINUOUS INNOVATION

Economic Gardening  
Ice House  
Start Up Weekends  
Growing Your Business  
E-Accelerator

## COMMUNITY TURNAROUNDS

Rawlins County  
Phillips County  
Hillsboro  
Sterling  
Among Others

\* Through 1<sup>st</sup> Quarter 2014



# Questions...





# Questions & Discussion

Center for Rural  
Entrepreneurship

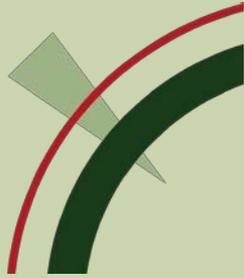
energizing entrepreneurial communities

**Don Macke**

**don@e2mail.org**

**www.energizingentrepreneurs.org**





## Center Resources



# A Decade of Field Work



The areas with "STARS" are locations where the Center has completed projects.

# Keys to Economic Success

**Local Responsibility**

**Smart Game Plan**

**Robust Investment**

**Entrepreneurial Development Systems**

**Sustained Effort**

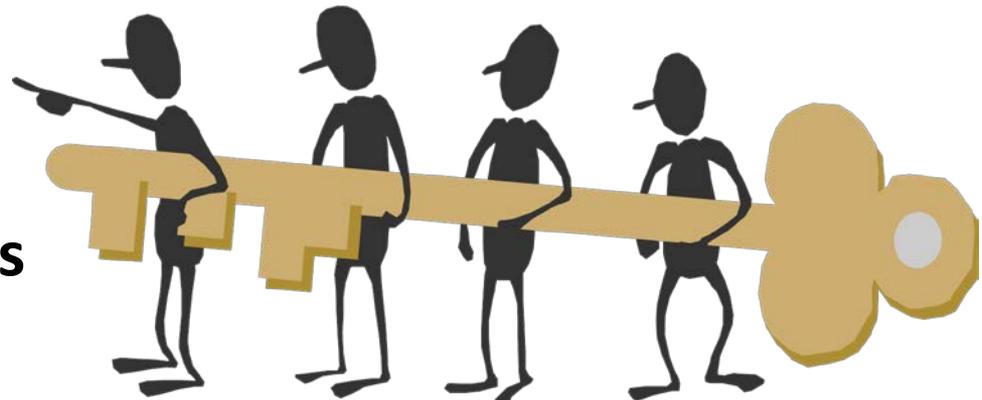
**Growth Entrepreneurs**

**Attributes of an Entrepreneurial Community**

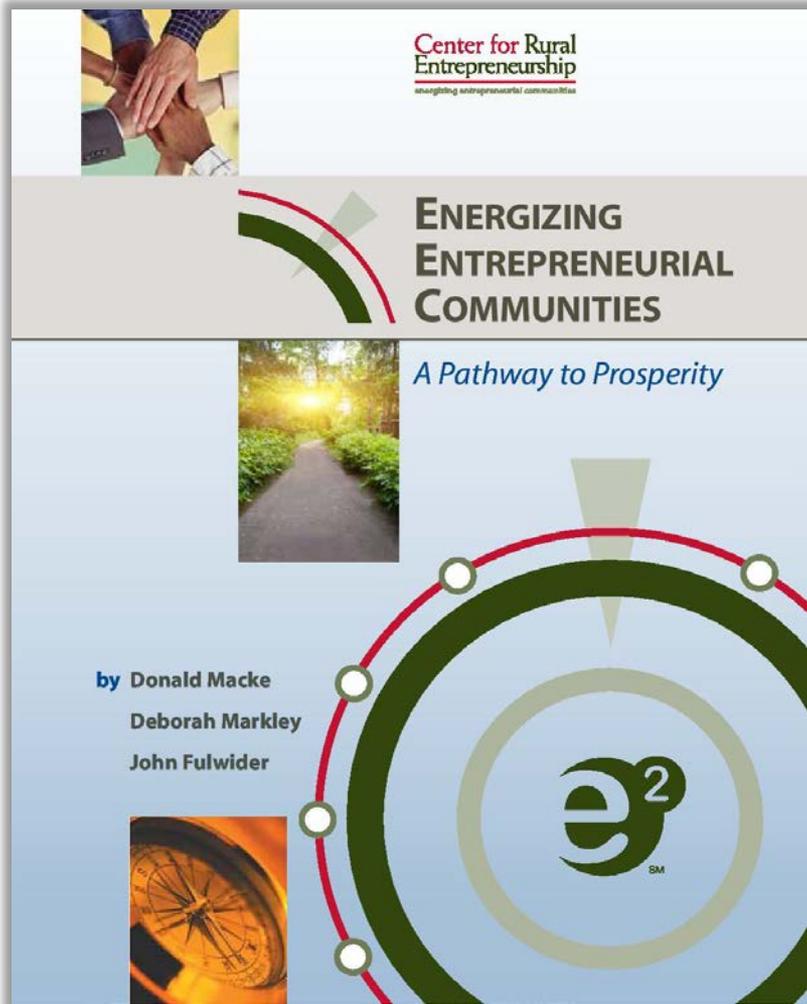
**Immigrants & New Residents**

**Real Regional Collaboration**

**Civic and Social Entrepreneurs**



# New Book



January 2014 Release

## Contents...

Case for Entrepreneurs

Entrepreneurial Community

Action Framework

Working with Entrepreneurs

Guiding & Tracking Progress

*Paper & E Book*



# E2 University Online

***Rollout in 2014...***

## **Resources:**

- Guides
- Tools
- Protocols
- Training Webinars
- Exercises & Illustrations
- Videos, Stories & More



# Web site

*[www.energizingentrepreneurs.org](http://www.energizingentrepreneurs.org)*

We have produced a new and improved web site with more free resources and better guidance to compensated resources. Give it a spin. Also... we have four electronic newsletters that are free. Sign up today and benefit from all the resources covered in our newsletters.



# Working with Es Webinars

**Beginning next summer and fall we will be offering community and professional webinars on working with entrepreneurs and community-based entrepreneur-focused development.**

entrepreneur    
coaching  



# Questions...





# Questions & Discussion

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Entrepreneurship

energizing entrepreneurial communities

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