

# Definitions, terms and concepts: Rural and rural development

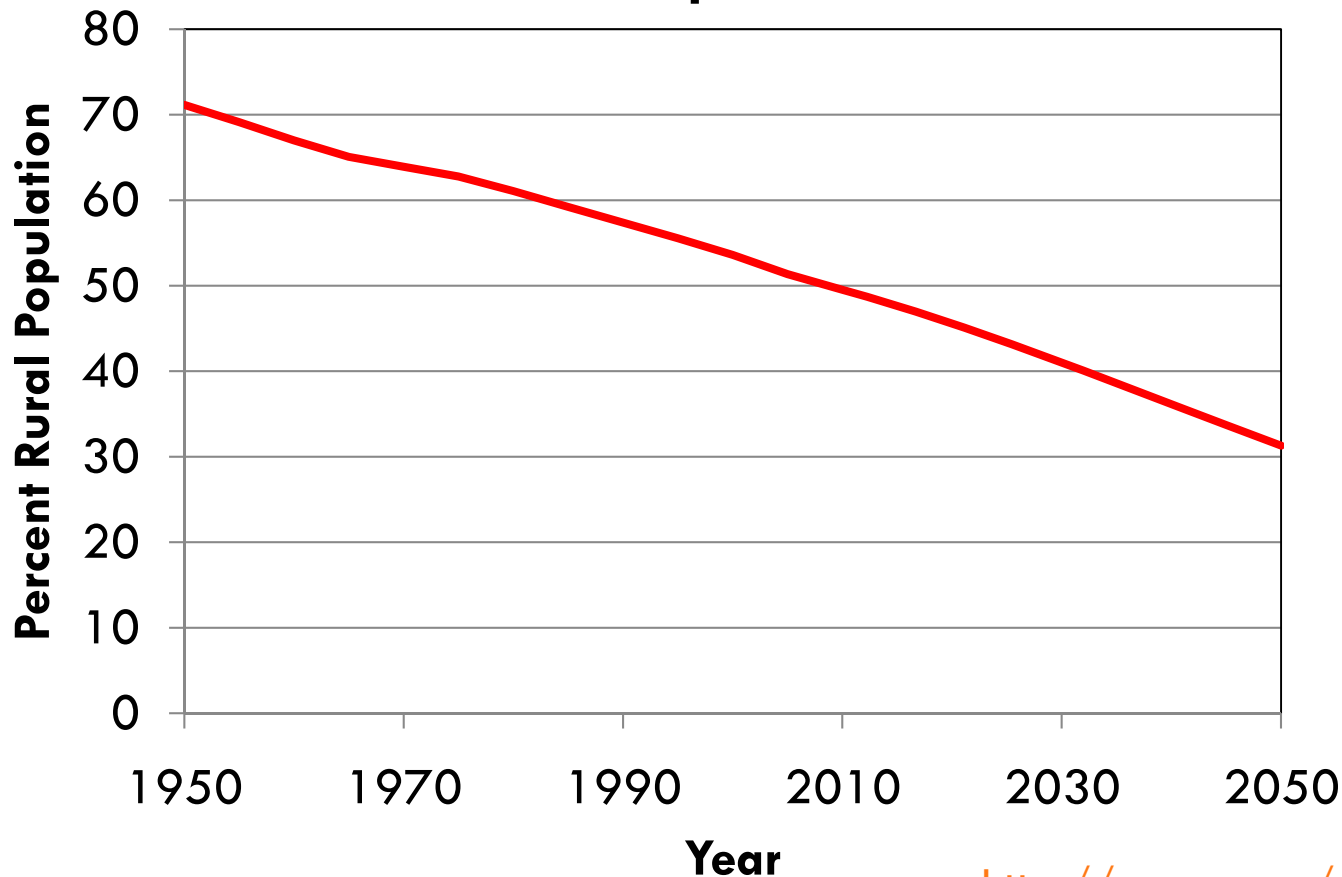


# Rural: Definitions

- From Wikipedia: **Rural areas** are large and isolated areas of an open country with low population density.
- From Wikipedia: **Rural development** in general is used to denote the actions and initiatives taken to improve the standard of living in non-urban neighborhoods, countryside, and remote villages. These communities can be exemplified with a low ratio of inhabitants to open space. Agricultural activities may be prominent in this case whereas economic activities would relate to the primary sector, production of foodstuffs and raw materials.

# Rural population: Global context

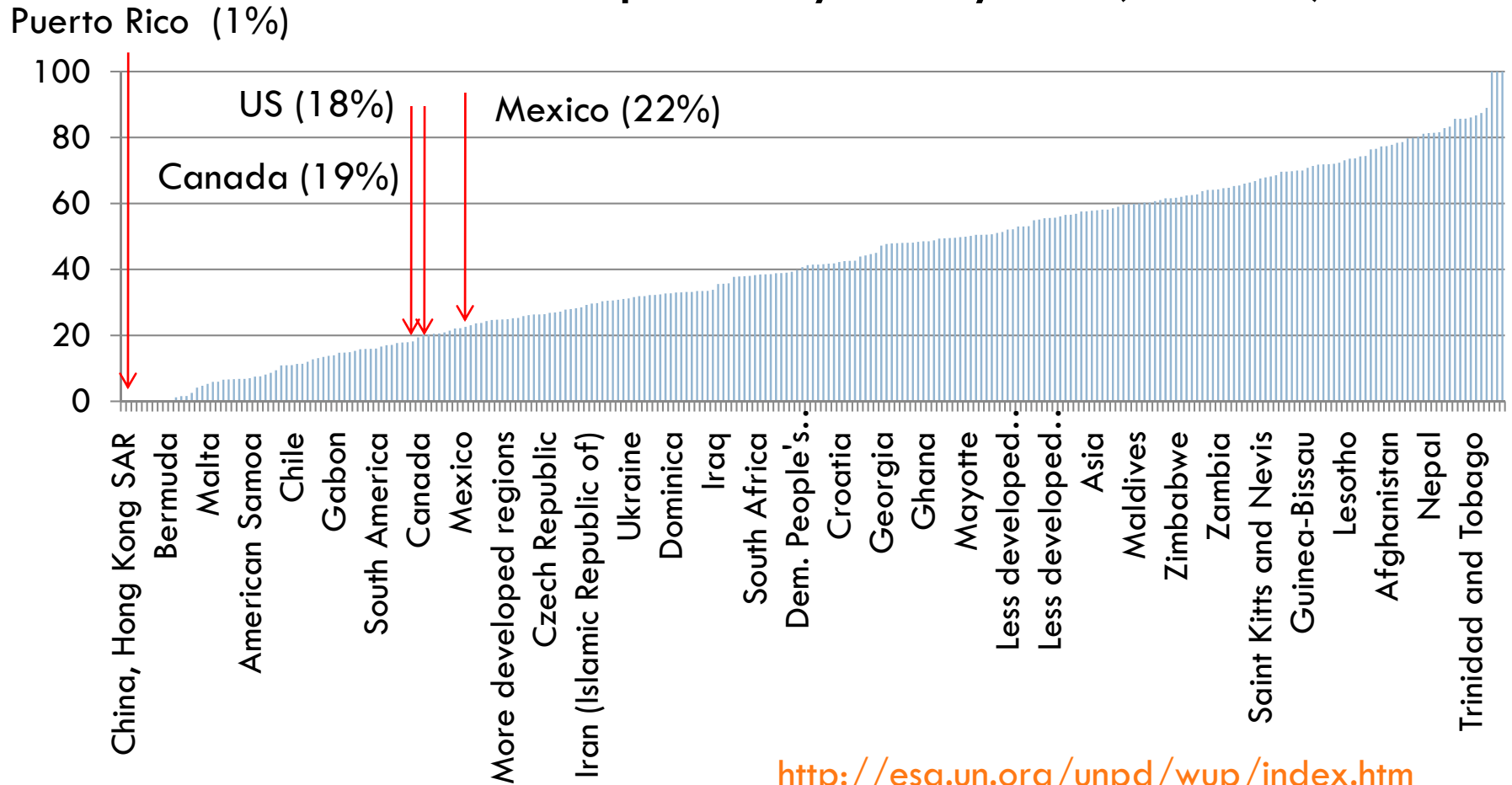
## Global Population



United Nations, Department of Economic and Social Affairs, Population Division  
World Urbanization Prospects: The 2009 Revision  
File 2: Percentage of Population Residing in Urban Areas by Major Area, Region and Country, 1950-2050  
POP/DB/WUP/Rev.2009/1/F2  
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# Rural population: Global context

**Percent Rural Population by Country 2010 (estimated)**



# Definitions of rural: US

- United States Census (2000 census) defines rural areas as comprising open country and settlements with fewer than 2,500 residents (**population/administrative-based**); areas designated as rural can have population densities as high as 999 per square mile or as low as 1 person per square mile (**population/land use-based**).
- United States Department of Agriculture (2002 farm bill) defines rural areas as any area other than (1) a city or town that has a population of greater than 50,000 inhabitants, and (2) the urbanized areas contiguous and adjacent to such a city or town.
- United States Office of Management and Budget defines a Metropolitan Statistical Area as consisting of (1) central counties with one or more urbanized areas (as defined by the Census Bureau) and (2) **outlying counties** that are economically tied to the **core counties** as measured by worker **commuting** data (i.e. if 25% of workers living there commute to the core counties, or if 25% of the employment in the county consists of workers coming from the central counties). Non-metro counties (rural counties) are outside the boundaries of metro areas.

# Definitions of rural: US

## Rural population size and characteristics vary by definition

|  |            | <i>Rural defined as territory outside</i> |        |   |        |   |        |
|--|------------|---|--------|---|--------|---|--------|
|  |            | Census Bureau places<br>(administrative)  |        | Census Bureau urban areas<br>(land-use) |        | OMB metro and micro areas<br>(economic) |        |
|  |            | <i>with populations less than:</i>        |        |   |        |   |        |
|  | U.S. total | 2,500                                     | 20,000 | 2,500                                   | 50,000 | 10,000                                  | 50,000 |
| Population, 2000 (millions)            | 281.0      | 87.7                                      | 138.5  | 59.1                                    | 89.5   | 19.9                                    | 48.8   |
| Percent of population defined as rural | na         | 31.1                                      | 49.2   | 21.0                                    | 31.8   | 7.1                                     | 17.4   |
| Percent with a college degree          | 30.7       | 26.8                                      | 28.3   | 22.5                                    | 22.9   | 18.5                                    | 20.8   |
| Average household income (\$1,000)     | 57.0       | 56.0                                      | 56.0   | 51.0                                    | 49.0   | 40.0                                    | 43.0   |

na = not applicable.

Source: USDA, Economic Research Service using data from the U.S. Census Bureau's 2000 decennial census.

# Definitions of rural: US

- Why do these definitions matter?
  - ▣ Targeting of development programs and allocation of and eligibility of funds from the programs and depends on how rural areas are classified.
  - ▣ For example, targeting of assistance programs for education, access to medical services, poverty alleviation, and broadband expansion depends on the status of these services in an area.
  - ▣ Eligibility for assistance programs will depend on whether an individual is classified as living in a rural area.

# US Rural Demographics

| <b>Rural Population Indicators for United States, 2000</b> |  |        |        |                   |
|--|--|--------|--------|-------------------|
| <i>Rural is defined as areas outside...</i>                | Census Places with a population $\geq$ |        |        | <b>U.S. total</b> |
|  | 2,500                                  | 10,000 | 50,000 |                   |
| <b>Population</b>  |  |        |        |                   |
| Total population considered rural (million)                | 87.7                                   | 115.8  | 177    | 281.4             |
| Percent of population considered rural                     | 31.1                                   | 41.1   | 62.9   | N/A               |
| Percent of land area considered rural                      | 97                                     | 97.9   | 99     | N/A               |
| Population density (people/sq mile)                        | 25.6                                   | 33.4   | 50.5   | 79.6              |



# US Rural Demographics

| <i>Rural is defined as areas<br/>outside...</i> | Census Places with a<br>population $\geq$ |        |        | <b>U.S. total</b> |
|---|---|--------|--------|-------------------|
|   | 2,500                                     | 10,000 | 50,000 |                   |
| <b>Age</b>                                      |   |        |        |                   |
| Percent younger than 18                         | 26  | 25.9   | 25.7   | 25.6              |
| Percent 19 to 64                                | 61.5                                      | 61     | 61.1   | 61.9              |
| Percent 65 or older                             | 12.5                                      | 13.1   | 13.1   | 12.4              |
| <b>Ethnicity</b>                                |   |        |        |                   |
| Percent non-Hispanic Black                      | 6.9                                       | 7.2    | 8.3    | 12                |
| Percent American Indian                         | 1.2                                       | 1.1    | 0.9    | 0.7               |
| Percent Hispanic                                | 5   | 5.8    | 7.8    | 12.5              |

# US Rural Demographics

| <i>Rural is defined as areas outside...</i> | Census Places with a population $\geq$ |        |        | <b>U.S. total</b> |
|---|--|--------|--------|-------------------|
|   | 2,500                                  | 10,000 | 50,000 |                   |
| <b>Education</b>                            |  |        |        |                   |
| Percent not completing high school          | 19.2                                   | 19.1   | 18.4   | 19.6              |
| Percent completing high school only         | 33.7                                   | 33.1   | 31.2   | 28.6              |
| Percent with only some college              | 20.4                                   | 20.5   | 21     | 21                |
| Percent with a college degree or higher     | 26.8                                   | 27.3   | 29.4   | 30.7              |
| <b>Income</b>                               |  |        |        |                   |
| Average household income (\$1,000)          | 56                                     | 56     | 57     | 57                |
| Percent in near-poverty households          | 8                                      | 8.2    | 8      | 8.6               |
| Percent in below-poverty households         | 9.9                                    | 10.3   | 10.5   | 12.4              |
| Percent in deep-poverty households          | 4.1                                    | 4.3    | 4.5    | 5.6               |

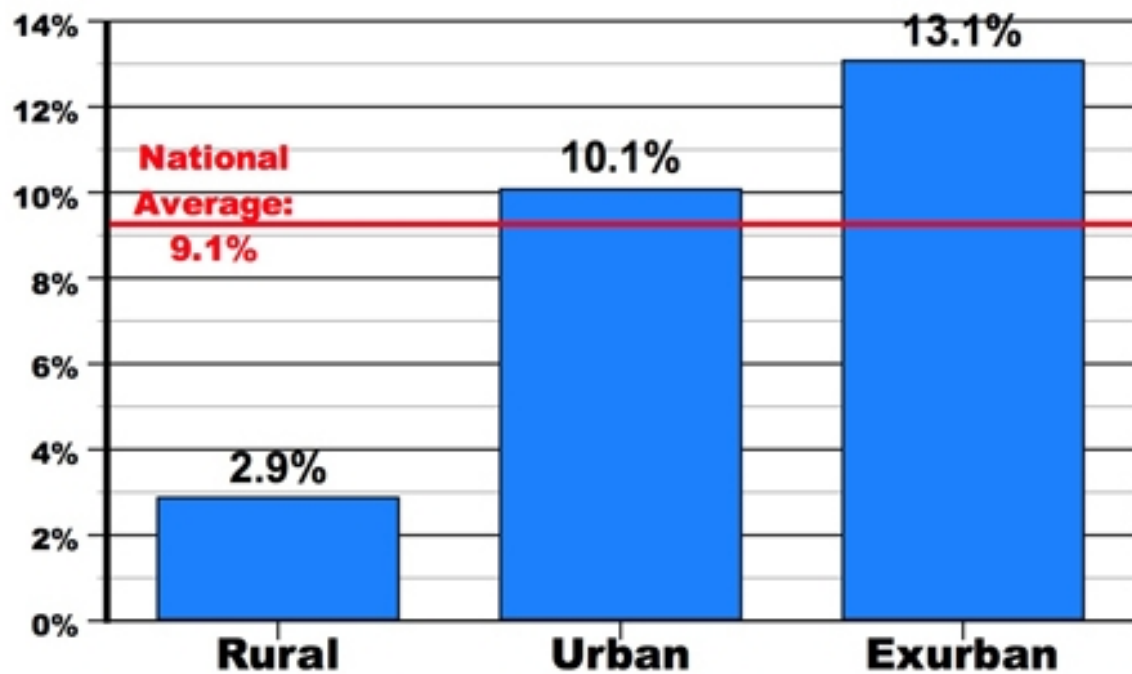
# US Rural Demographics

| <i>Rural is defined as areas outside...</i>                           | Census Places with a population $\geq$ |        |        | <b>U.S. total</b> |
|---|--|--------|--------|-------------------|
|   | 2,500                                  | 10,000 | 50,000 |                   |
| <b>Employment</b>   |  |        |        |                   |
| Percent in agriculture, forestry, fishing, hunting, mining industries | 4                                      | 3.5    | 2.6    | 1.9               |
| Percent traveling $> 1/2$ hour to work                                | 10.3                                   | 9.9    | 9.8    | 10.4              |
| <b>Housing</b>  |  |        |        |                   |
| Percent seasonal housing  | 7                                      | 6.2    | 4.7    | 3.3               |
| Percent without complete plumbing                                     | 2                                      | 1.7    | 1.3    | 1.2               |
| <b>Household composition</b>  |  |        |        |                   |
| Percent 65 and older and living alone                                 | 25                                     | 26.4   | 27.2   | 28.2              |
| Percent of children under 18 in female-headed household               | 13.5                                   | 14.9   | 16.5   | 20                |

# US Rural: Recent trends

## Population Growth: 2000 to 2009

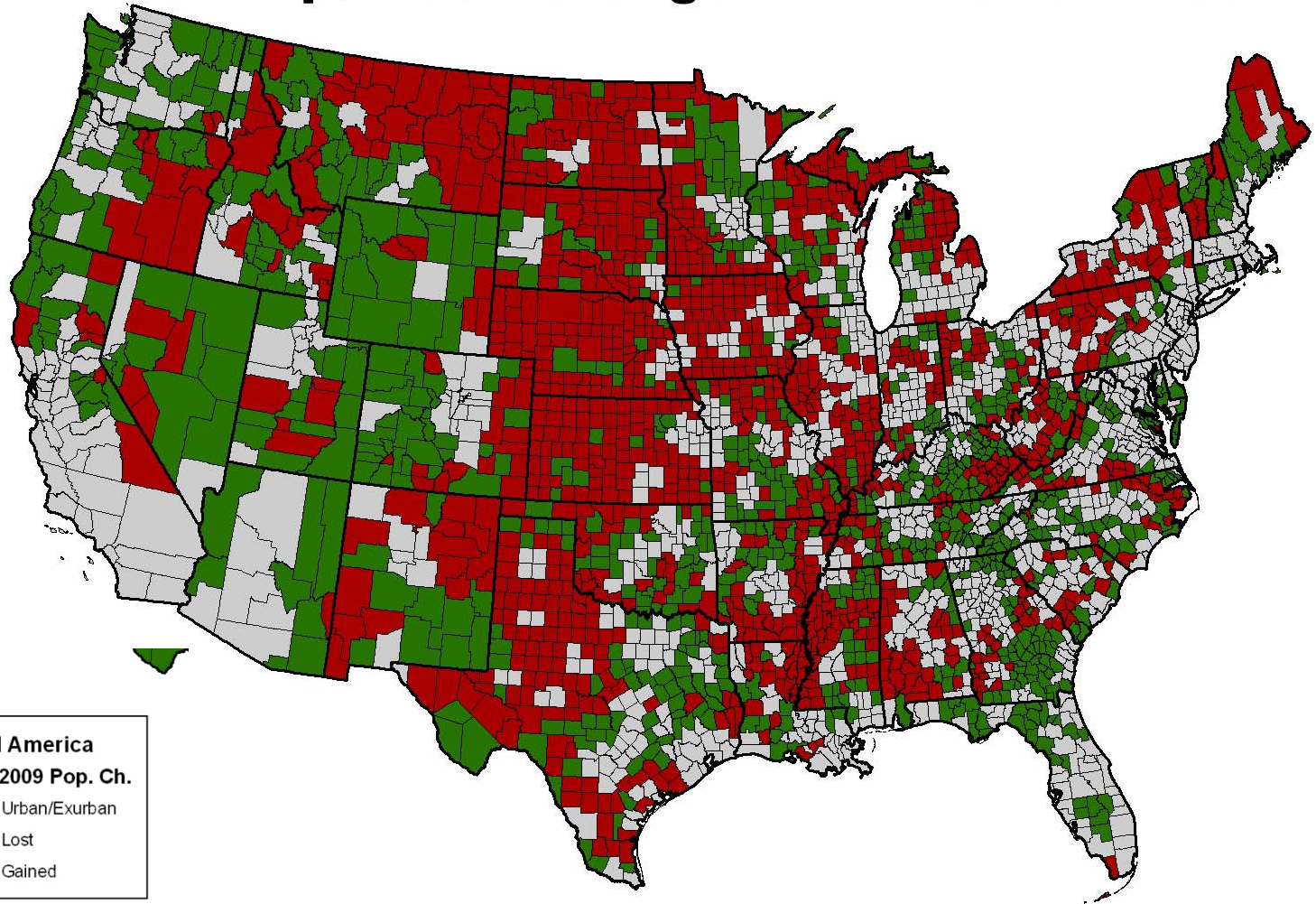
*Rural Counties Fall Below The National  
Average Growth Rate of 9.1%*



Population Growth in Rural, Urban and Exurban Counties 2000- 2009

# US Rural: Recent trends and geographic distribution

## Rural Population Change From 2000 to 2009



# Place Matters: Challenges and Opportunities in Four Rural Americas

## □ *Amenity-rich rural US*

- New, growing populations.
- Predominantly white non-Hispanics, but with a growing Hispanic population.
- Employment is relatively high and poverty is low.
- Many households are upper-middle to upper class.
- Almost one-half the respondents had college degrees, and one-third had college-educated fathers—much more than other areas.
- Household incomes and home values are higher than other areas, too, and many properties are second homes.
- Survey respondents note the natural environment as a very important reason for moving to their community.
- They worried about climate change, and favored rules to restrict development and conserve natural resources.

## □ ***Declining resource-dependent rural US***

- Respondents were overwhelmingly white non-Hispanic.
- Most are long-term residents whose parents also grew up in this area.
- Out-migration, particularly by young adults, drives population decline in these counties. The older generations stay behind, the population ages, and family size shrinks
- Poverty is low, and employment is very high, with many reporting a second job.
- Respondents in these counties were most likely to be married, to participate in local organizations, to believe their neighbors will help out when needed, to most consistently attend weekly religious services, and to vote Republican.
- Few declining-area respondents moved to the area for its natural beauty, and their participation in outdoor recreation (other than hunting) was low.
- They did not see sprawl as a problem, and were less worried about climate change or resource conservation.
- Declining population, jobs, and drug manufacturing or sales were the most prominent local problems.

# Place Matters: Challenges and Opportunities in Four Rural Americas

## □ *Chronically poor rural US*

- High birth rates somewhat offset out-migration, and population decline has been gradual.
- The areas comprised substantial African-American populations, with more young adults and fewer elders than in other areas.
- The great majority were long-term residents whose parents grew up in the area.
- Employment was relatively low, and poverty much higher than in the other areas.
- These areas had the highest share of residents with less than a high school education.
- Respondents were least likely to be married, participated the least in local organizations, and were more heavily Democratic.
- Respondents reported frequent religious activity
- Environment and land use were not seen as problems.
- Few chronic- poverty respondents moved to their region for its natural beauty, and a relatively large minority favored using natural resources to create jobs rather than conserving those resources.
- Residents in were concerned about crime, drugs and unemployment.



# Definitions of rural: Mexico

- Following the criteria in force in Mexico and established by the Political-Administrative Division, municipalities are classified into three groups:
  - ▣ urban municipalities with a population over 15,000
  - ▣ semi urban municipalities with a population of 2,500 to 15,000
  - ▣ rural municipalities with populations less than 2,500 inhabitants.
- The urban-rural classification is an approach that is often used in the formulation of policies, administrative organization, the allocation of budgetary resources, or the targeting of programs.

# Place Matters: Challenges and Opportunities in Four Rural Americas

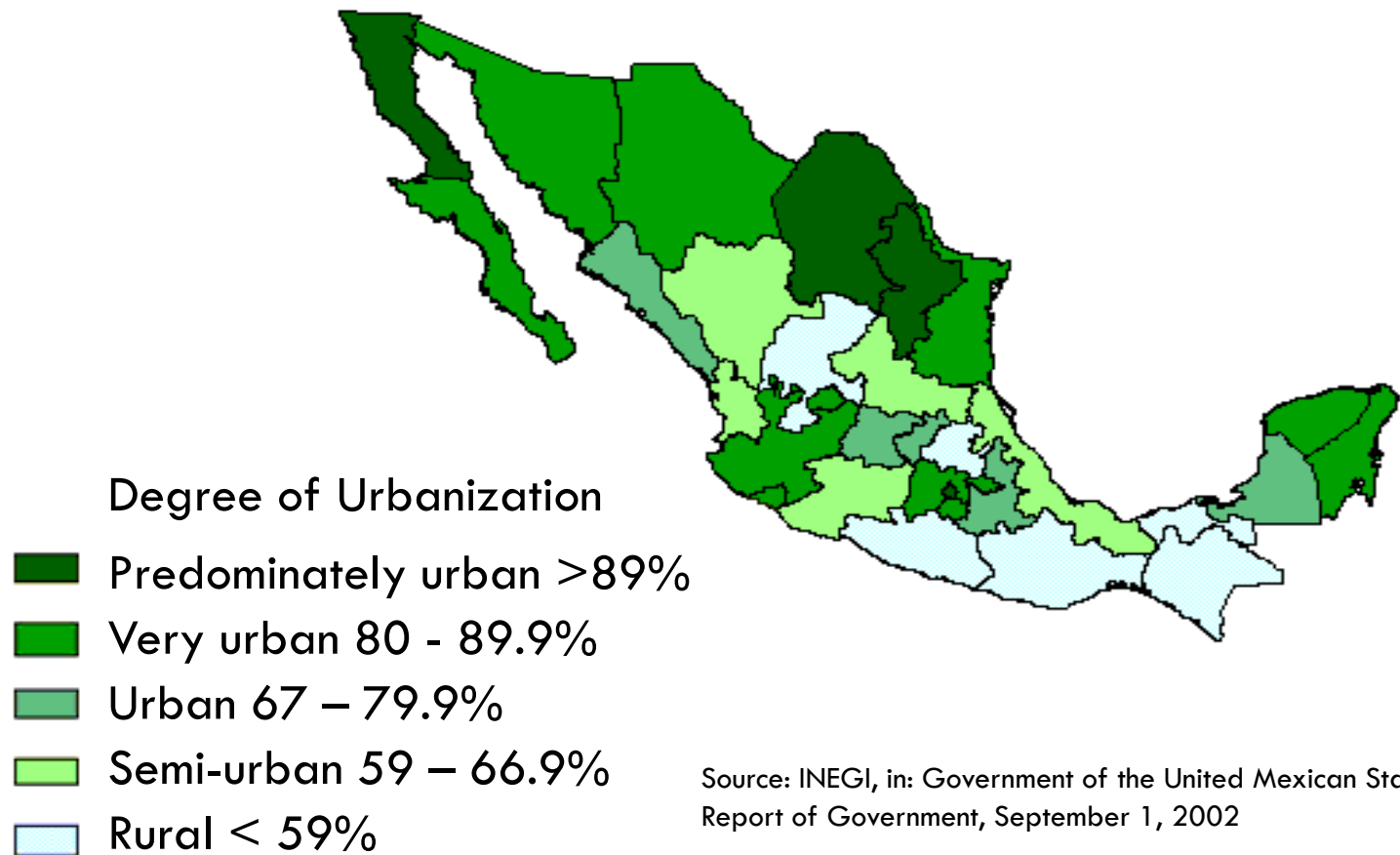


# Mexico: Rural trends

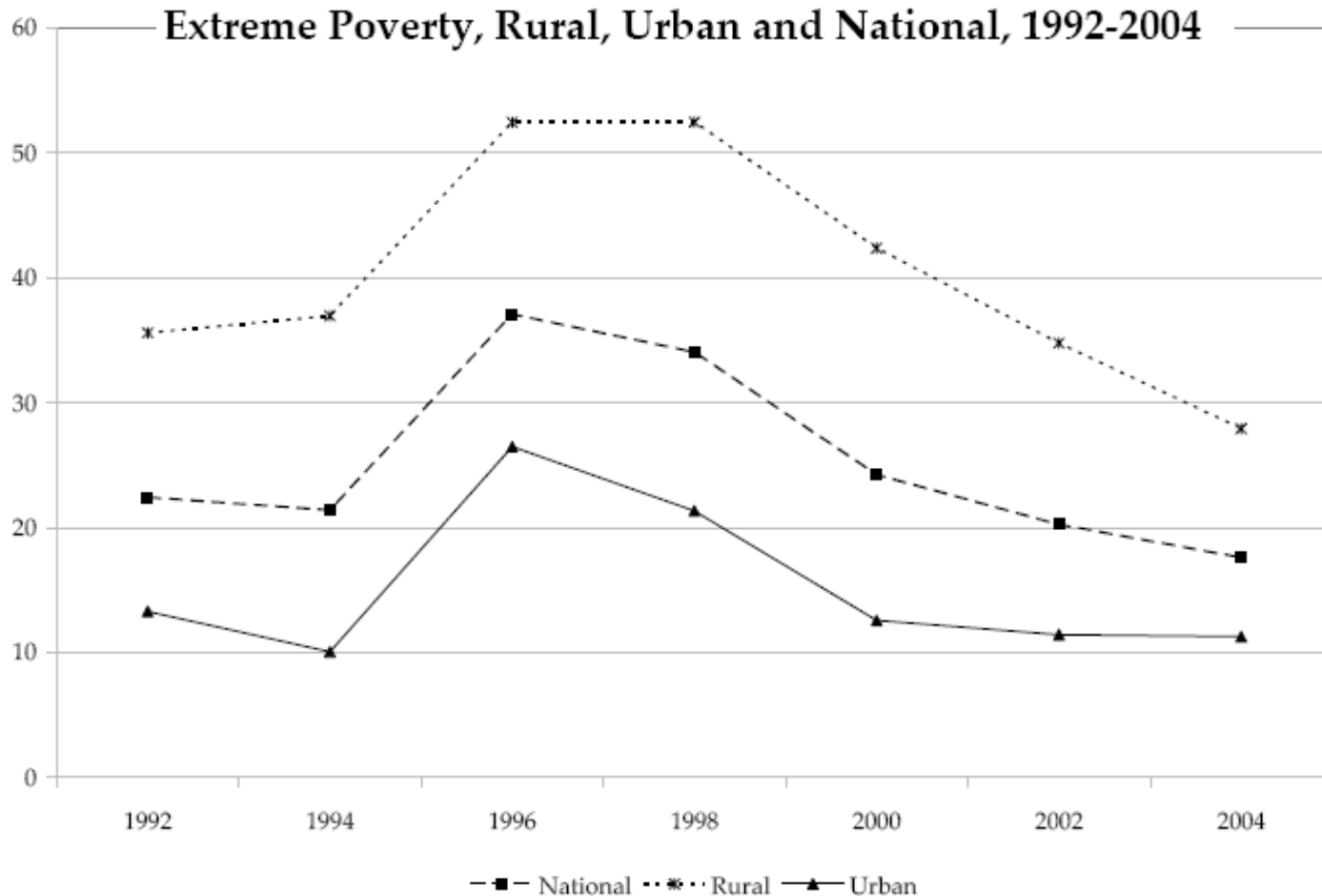
- In the 20<sup>th</sup> century, population in Mexico passed from a predominantly rural population to predominantly urban.
  - ▣ In 1950, 57% of the population lived in rural localities.
  - ▣ In 2000, 25% of the population lived in rural localities.
- However, the process of urbanization has not been consistent across the country: while more than 90% of the population of the Distrito Federal is urban, less than half the population in Oaxaca, Chiapas and Hidalgo states live in urban localities.

# Mexico: Geographic distribution

**Degree of urbanization by state, 2002**



# Mexico: Poverty level



# Mexico: Sources of income

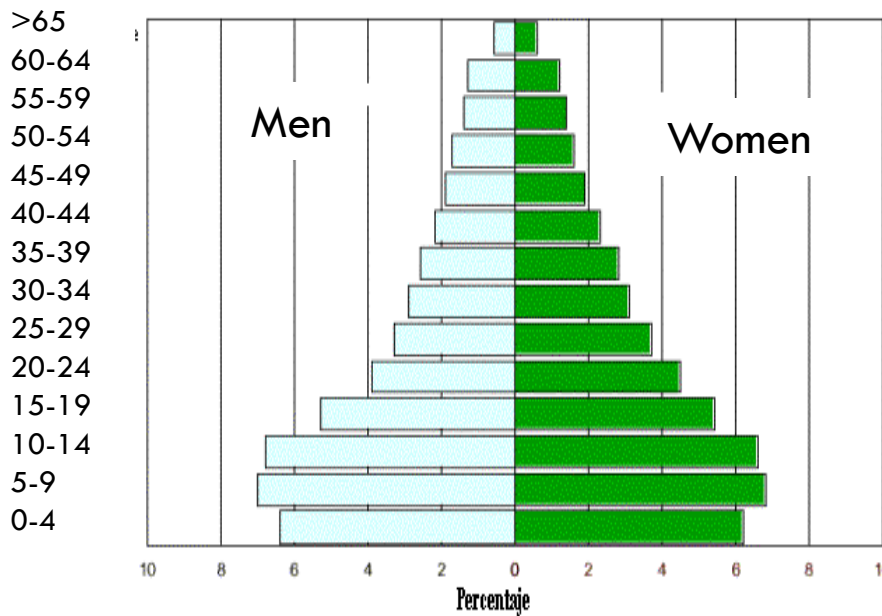
## Shares of Rural Incomes (%)

| Income Shares from               | 1992           |              | 2002           |              |
|----------------------------------|----------------|--------------|----------------|--------------|
|                                  | All Households | Extreme Poor | All Households | Extreme Poor |
| Independent Farming              | 38.5           | 38.1         | 12.6           | 16.8         |
| Agricultural Wage Labor          | 12.3           | 19.6         | 11.3           | 21.9         |
| <i>Sub-total Agriculture</i>     | <i>50.8</i>    | <i>57.7</i>  | <i>23.8</i>    | <i>38.7</i>  |
| Independent Non-Farm Activities  | 8.1            | 4.8          | 5.7            | 6.8          |
| Non-Farm Wage Labor              | 20.4           | 15.9         | 36.1           | 17.2         |
| High return                      | 4.9            | 1.3          | 23.8           | 4.4          |
| Low return                       | 15.5           | 14.6         | 12.3           | 12.8         |
| Transfers                        | 8.0            | 6.0          | 16.5           | 25.4         |
| Other Sources                    | 12.6           | 15.5         | 17.8           | 11.9         |
| <i>Sub-total Non-Agriculture</i> | <i>49.2</i>    | <i>42.3</i>  | <i>76.2</i>    | <i>61.3</i>  |

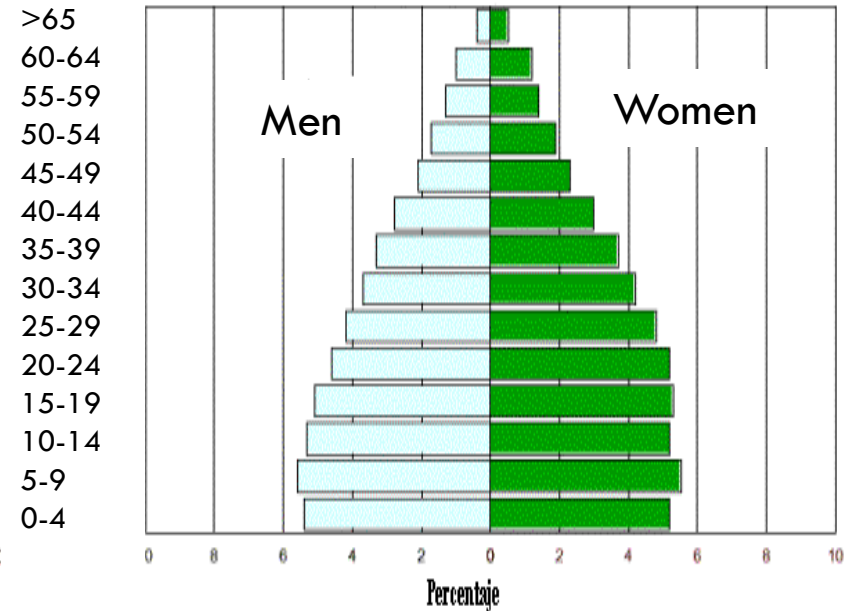
Rural defined as localities of less than 2,500 residents.

# Mexico: Age distributions

Rural Population, 2000



Urban Population, 2000



Source: INEGI, in: Government of the United Mexican States, Second Report of Government, September 1, 2002, President of the Republic, Mexico, 2002.

# Mexico: Examples of rural assistance programs

- Most programs for human development in rural areas is managed by SEDESOL, Secretaria de Desarrollo Social.
- Oportunidades: Purpose is to reduce extreme poverty by providing monetary support to families in this situation, in the areas of education, health, nutrition and energy costs.
- Piso Firme: Seeks to benefit families living in houses with dirt floors, replacing it with concrete floor thereby improving their housing and living conditions.
- IMSS-Oportunidades: Purpose is to provide health services free to people in socially and economically disadvantaged who live in remote areas.
- Vivienda Rural: The aim is to support the expansion or improvement of homes.
- Caravanas de la Salud: Purpose is to health services to remote communities through mobile medical units.

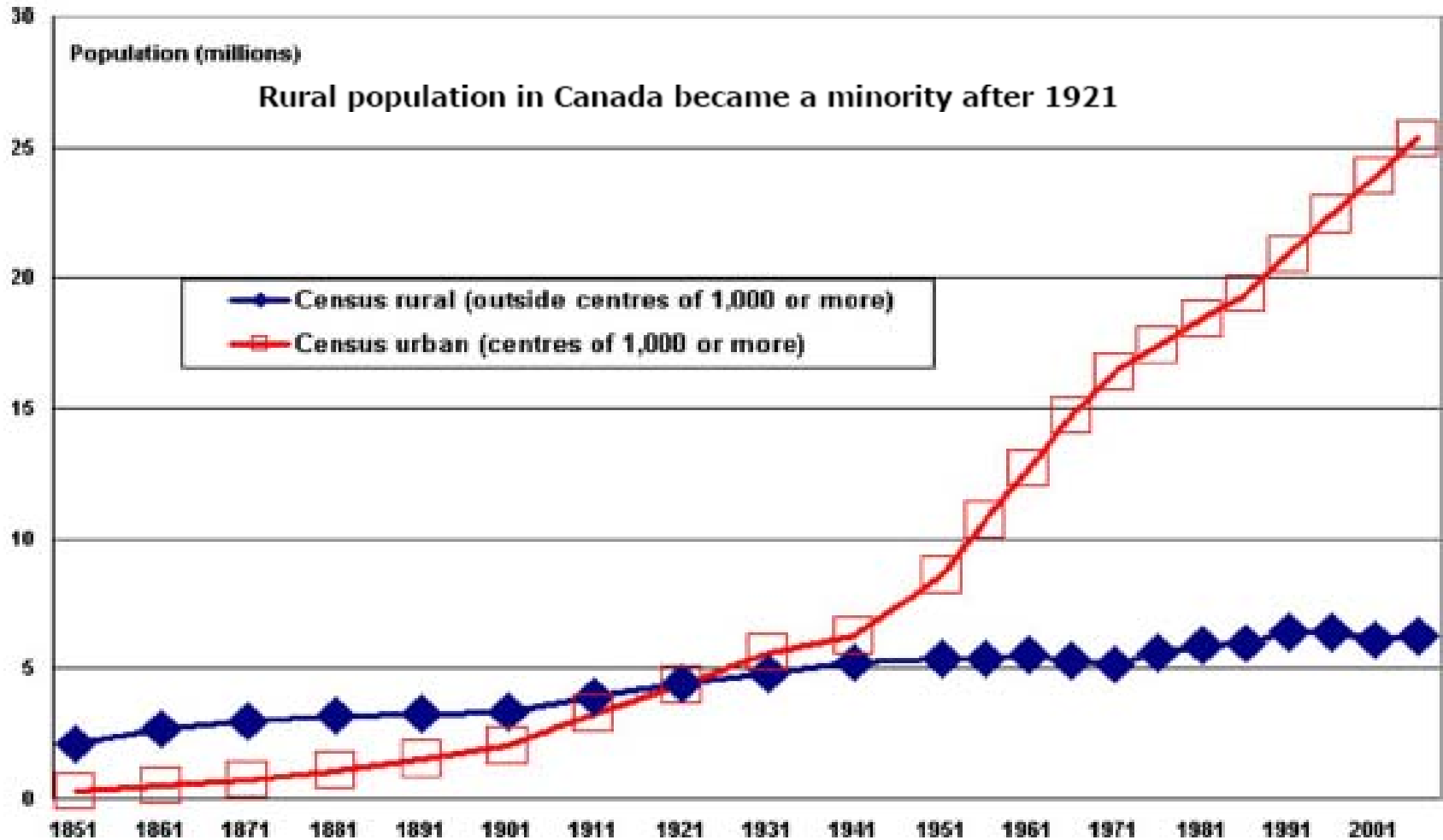




# Definitions of rural: Canada

|   |  |
|---|--|
| <b>OECD “rural communities”</b>                                   | <b>Population density:</b> Population in communities with densities less than 150 people per square kilometre.<br><br><b>Building blocks:</b> CCSs   |
| <b>“Non-metropolitan regions”<br/>(Ehrensaff’s “Beale codes”)</b> | <b>Settlement context:</b> Population living outside of regions with major urban settlements of 50,000 or more people. Non-metropolitan regions are subdivided into three groups based on settlement type, and a fourth based on location in the North. The groups based on settlement type are further divided into “metropolitan adjacent” and “not adjacent” categories.<br><br><b>Population size:</b> Non-metropolitan regions include urban settlements with populations of less than 50,000 people and areas with no urban settlements (where “urban settlements” are defined as places with a population of 2,500 or more).<br><br><b>Building blocks:</b> CDs |

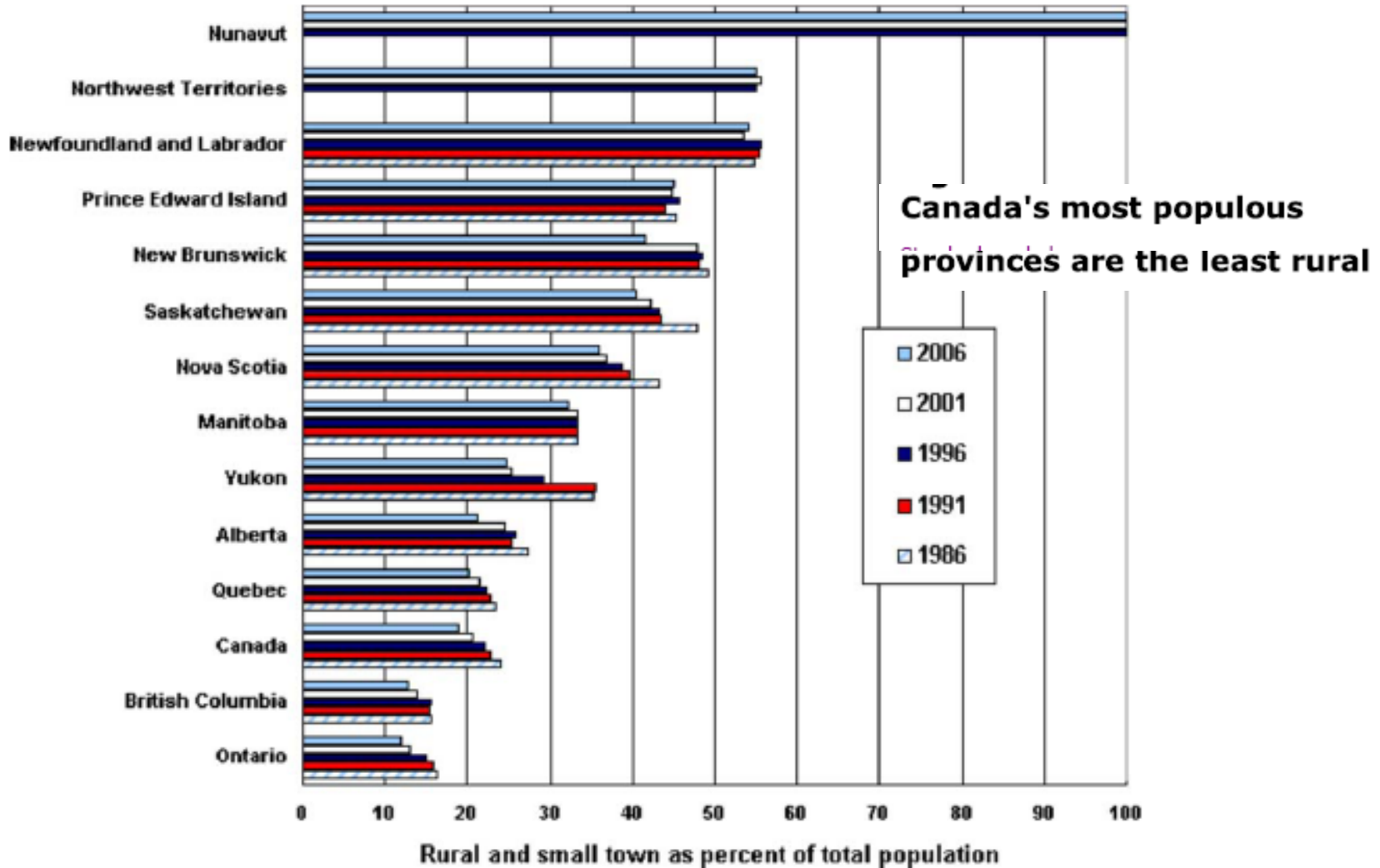
# Canada: Rural trends



# Canadian provinces



# Canada: Geographic distribution



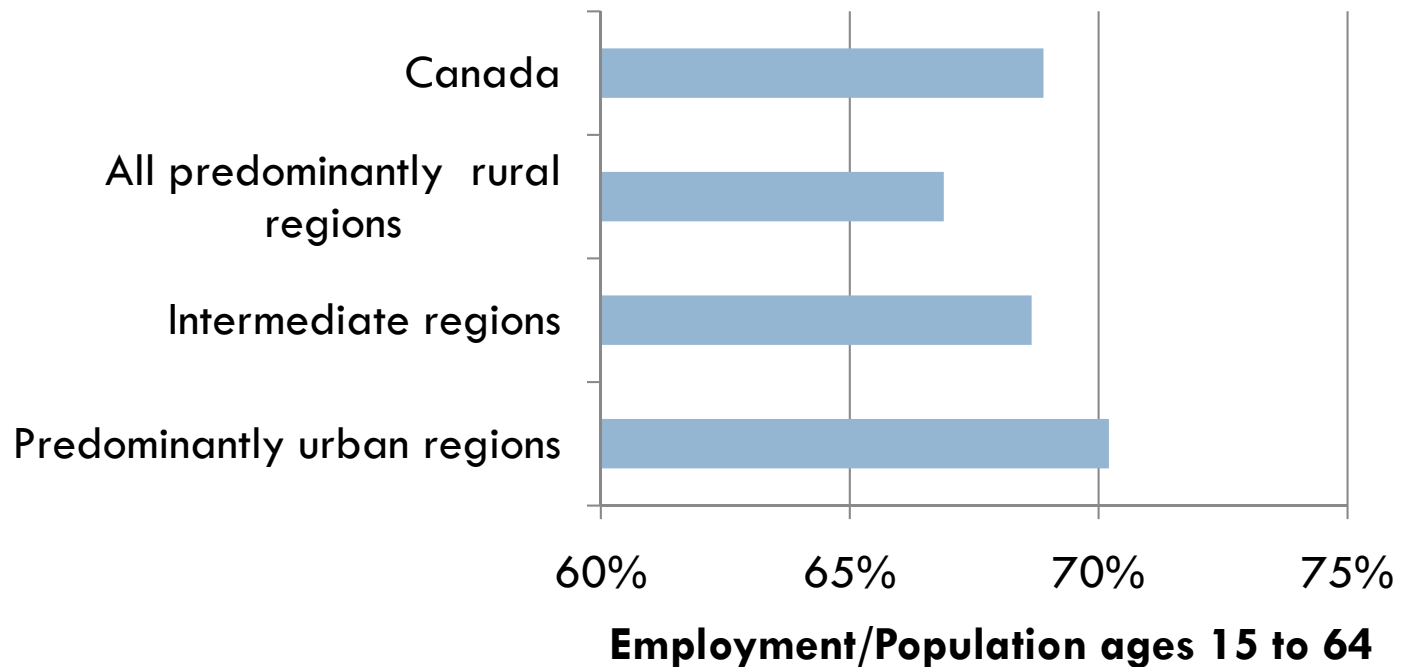
# Canada: Employment

## Employment by Major Industrial Sectors in Rural and Small Town areas, Canada, 1998

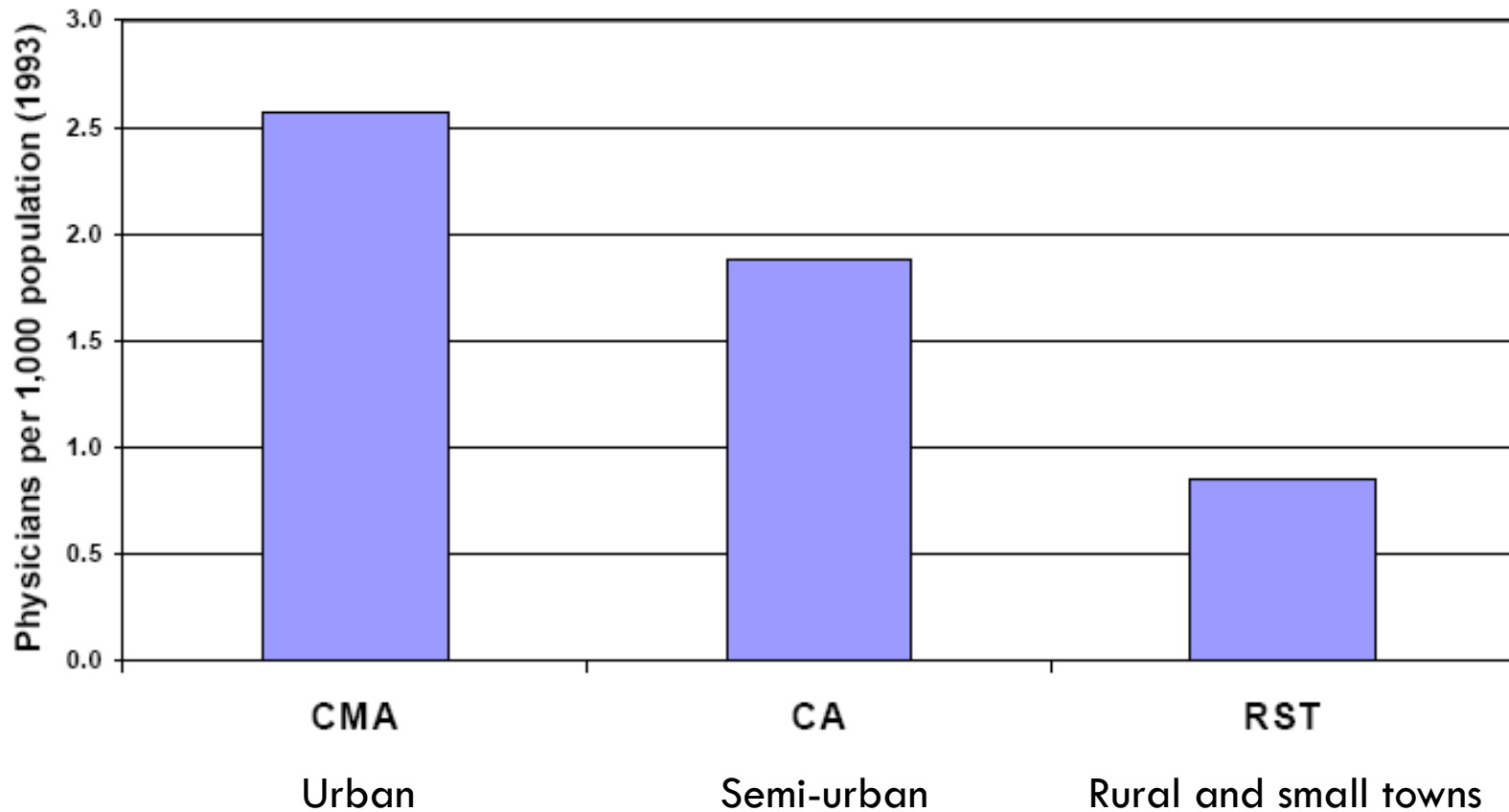


# Canada: Employment

## Employment by type of region, 1996

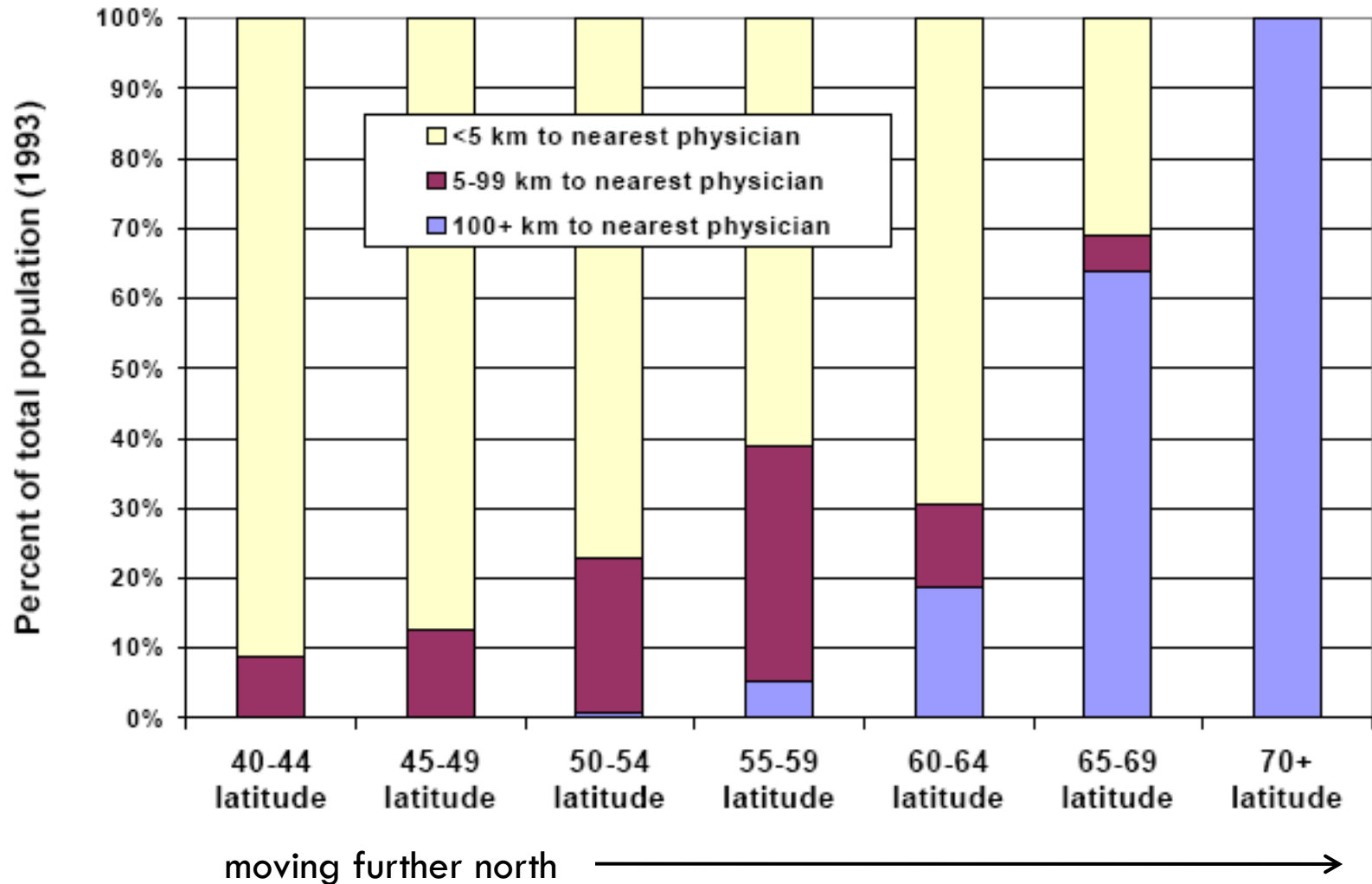


# Canada: Availability of health care



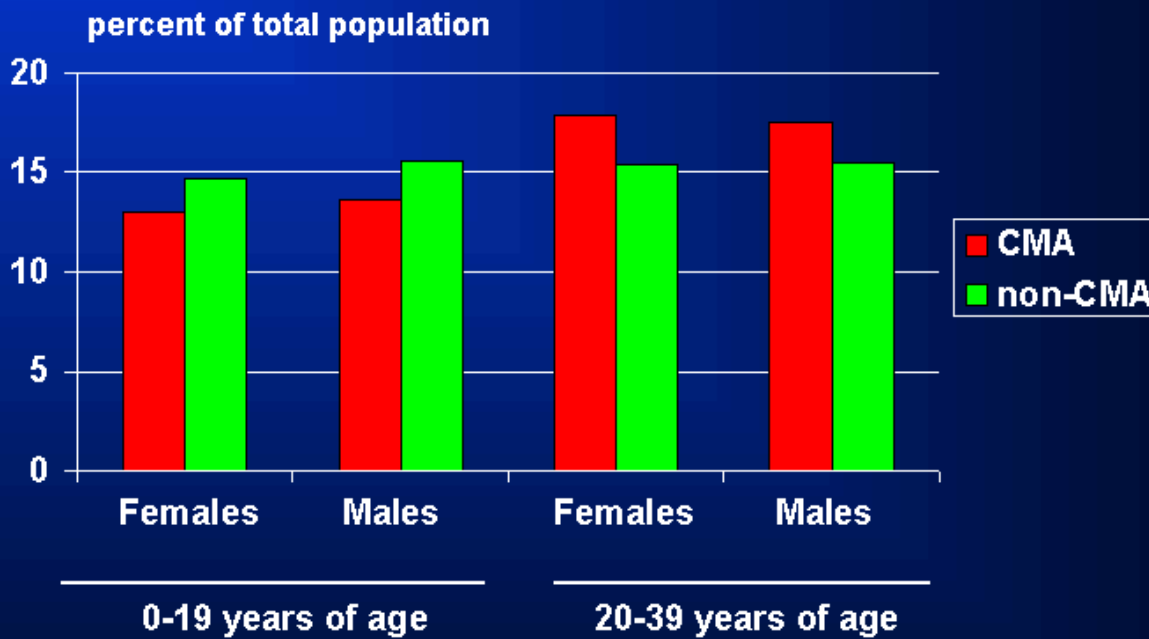


# Canada: Availability of health care



# Canada: Age distribution

Higher share of youth (<20) in rural, lower share of young adults (20-39) in rural areas

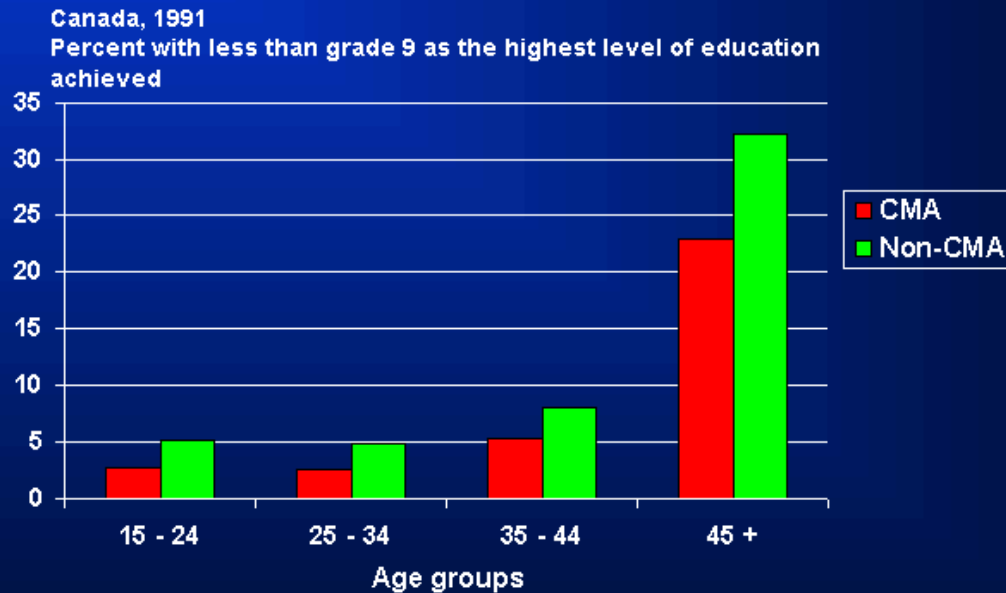


Source: 1991 Census of Population (20% sample data), CMAs and Non-CMAs, Canada.

**Understanding Rural Canada: Structures and Trends**  
Dr. Ivan P. Fellegi  
Chief Statistician of Canada  
September, 1996

# Canada: Education

Higher incidence of low education level  
in rural areas

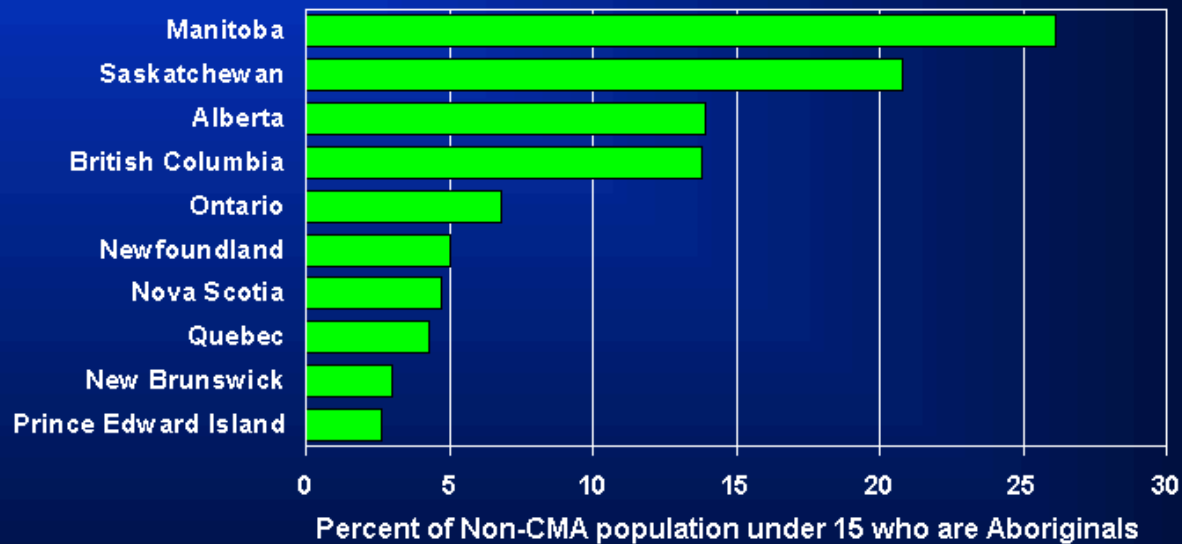


Source: Statistics Canada, Census of Population 1991.

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# Canada: Ethnicity

## Share of youth under 15 who are Aboriginals

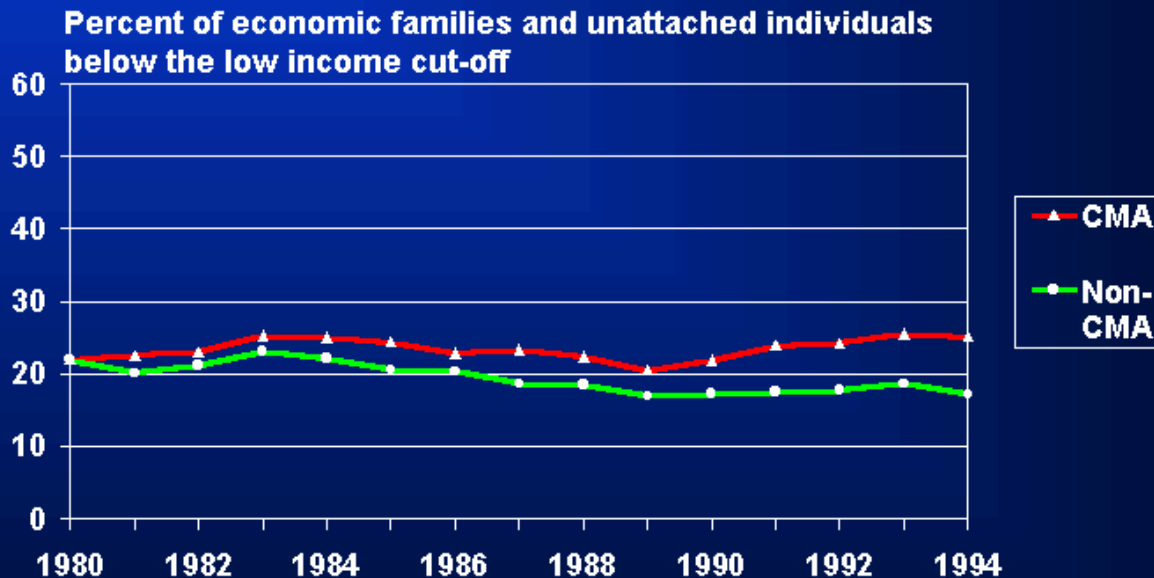


Source: Statistics Canada, Census of Population, 1991

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# Canada: Income

Incidence of low income:  
**Rural** is lower and declining



Source: Statistics Canada, Survey of Consumer Finance, 1981 to 1991

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