### Perceptions of Current and Future Economic Development Efforts in Rural Texas

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ural areas are home to many of the industrial, agricultural, cultural, and natural resources that make Texas a great state. Despite the importance of rural Texas to the state as a whole, rural people and communities are struggling economically. Texas is not alone in this respect. Research indicates that the social and economic fabric of rural areas throughout the United States has been progressively weakened by a number of regional, national, and global changes over the past few decades. Transformations in economic, demographic, social, and spatial organization have had profound impacts on rural areas all across this country. As in most other states, rural cities in Texas have been hard hit by these structural-level occurrences. On average, rural areas within Texas maintain lower per capita incomes, higher poverty rates, greater levels of aged dependency ratios with fewer workers to support those over age 65, and lower labor force participation rates than do urban areas. In addition, the quantity and quality of many amenities and public services are frequently inadequate to meet the needs of rural Texans. In rural Texas cities, pressing needs exist for job creation, increased incomes, economic growth, modernization, improved service delivery, as well as business recruitment, retention, and expansion activities.

These challenges emphasize the need for economic development efforts in Texas and have led to initiatives designed to improve rural economies, although such initiatives have had varying degrees of success. In the fall of 2011, researchers in the Center for Rural Studies at Sam Houston State University surveyed a random sample of 664 community/economic development professionals and city/county officials in Texas to gather information on their perceptions of the people, places, and communities in rural Texas, as well as their views on economic development efforts therein. Understanding the experience and perceptions of these community leaders is critical to guiding future economic development efforts and to understanding the different needs of communities with varying geographic and demographic characteristics. The sampled individuals represented a variety of organizations, including local economic development corporations, chambers of commerce, utility districts, and city and county governments. A personalized e-mail was sent to each of the sampled individuals inviting him/her to complete the online survey. After the initial e-mail invitation and two

follow-up e-mails, a 28-percent response rate was achieved. This resulted in 186 completed surveys. This brief article reports selected findings from that survey.

#### **Respondent Characteristics**

Survey respondents were 59 percent male and 41 percent female. The age of respondents ranged from 24 to 76, with the average age being 53. One-third of the respondents (32 percent) had earned a college degree; another one-third (34 percent) had completed a graduate or professional degree. Roughly three in four respondents (77 percent) were white. Approximately 8 in 10 (80 percent) reported a total household income of \$75,000 or more during 2010. Concerning political party affiliation, 56 percent of respondents indicated they were Republicans, 19 percent reported they were Democrats, and 23 percent specified they were Independents. Two percent selected the "Don't know" response category. When asked to indicate the size of place where they currently resided, roughly 10 percent said in "a city of 100,000 or more people." Nine percent indicated "a city of 50,000 to 100,000 people." Eight percent stated in "a city of 25,000 to 50,000 people." Twenty-four percent specified in "a town of 10,000 to 25,000 people." Thirtyseven percent reported "a town of 10,000 or fewer people." Lastly, 12 percent claimed to live in "the countryside outside of a city or town."

#### **Data Analysis**

It seems reasonable to expect that individuals who live in more rural areas would hold differing perceptions of rural Texas and views on economic development efforts in rural areas than their counterparts who live in more urban places. Therefore, for the analysis that follows, respondents were sorted on the basis of size of place of residency.

#### Assessing Perceptions of Good Jobs

Respondents were asked to rate the "availability of good jobs" in their community. To simplify this presentation, the five original response categories were combined to form three—excellent/good, satisfactory, and poor/very poor. As indicated in Table 1, respondents who resided in the most rural areas (in the countryside outside of a city or town) were the most likely to perceive the availability of good

TABLE 1. Perception of Availability of Good Jobs in
Respondent's Community

Size of Place of Residency	Excellent/ Good	Satisfactory	Poor/ Very Poor
		Percent	
A city of 100,000 or more	53	35	12
A city of 50,000 to 100,000	36	36	28
A city of 25,000 to 50,000	54	15	31
A town of 10,000 to 25,000	28	37	35
A town of 10,000 or fewer people	15	36	49
The countryside outside of a city or town	20	25	55

TABLE 2. Perception of Economic Development and
Urban Influence in Rural Texas

Statements	Agree	Undecided	Disagree
		Percent	
The economic development of rural communities in Texas is necessary for their survival.			
A city of 100,000 or more	88	6	6
A city of 50,000 to 100,000	93	7	0
A city of 25,000 to 50,000	100	0	0
A town of 10,000 to 25,000	98	2	0
A town of 10,000 or fewer peop	le 95	3	2
The countryside outside of a city or town	90	0	10
Urban areas control the economics of rural areas in Texas.	47	12	41
A city of 100,000 or more		7	••
A city of 50,000 to 100,000	43	,	50
A city of 25,000 to 50,000	46	31	23
A town of 10,000 to 25,000	53	15	32
A town of 10,000 or fewer peop	le 58	24	19
The countryside outside of a city or town	55	15	30

jobs in their community as poor or very poor (55 percent). The perception that the availability of good jobs was poor/ very poor decreased among respondents as size of place of residency increased.

#### Assessing Perceptions of Economic Development and Urban Influence in Rural Texas

Respondents were asked to indicate their level of agreement with the following two statements: (a) "The economic development of rural communities in Texas is necessary for their survival"; and (b) "Urban areas control the economics of rural Texas." Regardless of size of place of residency, respondents overwhelmingly believed the economic development of rural communities in Texas is necessary for their survival (see Table 2).

In response to the sentence suggesting that "urban areas control the economics of rural areas in Texas," more than half of the respondents who reside in towns with populations of 25,000 or fewer or in the countryside agreed with the statement. Concomitantly, a majority of respondents who reside in cities with populations of more than 25,000 either disagreed with or were undecided about the statement.

(continued on page 42)



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# **Small Cities' Corner**

(continued from page 7)

# Assessing Perceptions of State Support of Economic Development Options in Rural Texas

Respondents were asked what priority (high, medium, low, or not a priority) they believed the State of Texas should give to each of 10 activities to improve rural economies. Response categories were coded as 3 = high priority, 2 = medium priority, 1 = low priority, and 0 = not a priority. Mean scores were calculated for each of the 10 items. High scores reflected high priority; low scores reflected low priority. Mean scores for all respondents (overall) and by size of place of residency are reported in Table 3 (see next page).

Overall, respondents believed the promotion of tourism in rural Texas should be given the highest priority from the state when it comes to fostering economic development in rural areas. The second and third priority options included promoting the development of telecommunications networks and the development of small businesses in rural Texas. An examination of the selected economic development options



by size of place categories revealed that respondents prioritized them slightly differently. For example, respondents who live in towns with populations between 10,000 and 25,000 believed that the promotion of Texas agricultural products should be given the highest priority from the state, whereas those respondents who live in the countryside were most likely to endorse the promotion of small businesses. Regardless of where the respondents lived, however, promoting the development of retail shopping centers in rural Texas was viewed as the least popular economic development option.

### **Concluding Comments**

As of the 2010 Census, the Texas population numbered 25,145,561, with the vast majority of Texans currently residing in the state's urban areas. However, estimates from the Texas State Data Center suggest that 17 percent of Texas residents (roughly 4.2 million people) live in rural areas throughout the Lone Star State. Although these rural areas are vital components of the state's economy and natural resource base, the people living there face certain challenges that differ from their urban counterparts when it comes to developing and sustaining their local economies.

Nearly all leaders—regardless of urban or rural place of residency—recognize that rural places are in need of economic development, but not all had the same thoughts about the availability of good jobs or the best direction for economic development. The results of this study show that leaders in communities with fewer than 25,000 residents are the most dissatisfied with current economic trends. Leaders in these communities are more dissatisfied with the number of good jobs and feel more controlled by the larger economies of urban areas. Our data also indicate that whereas leaders from places differing in size slightly disagreed on the rural development option that should receive the highest priority, all agreed that the promotion of retail shopping centers was the least desirable option for increasing the economic viability of rural places in the state.

Taken together, these findings help us understand what community/economic development professionals and city/ county leaders think is working, what is needed, and what is most frustrating. Because there are no one-size-fits-all solutions for rural economic development, it is critical to hear the voices and heed the suggestions of those who experience these challenges first-hand.  $\star$