

The 2013 Texas Rural Survey: Economic Development Strategies and Efforts



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Rural Texas

Of the 25.1 million people living in Texas, 3.8 million (15.3%) live in rural areas.¹ According to the Census Bureau, the land area of Texas is approximately 261,232 square miles, which approaches the area covered by New Mexico, Oklahoma, Arkansas, and Louisiana combined. With such a large geographic expanse, much of the population is concentrated in dense urban areas, whereas the 15.3 percent of the population residing in rural areas is spread across 96.7 percent of the state.² Located throughout these rural spaces are a majority of the industrial, agricultural, cultural, and natural resources that drive the state's development and ultimately link urban and rural people and places.

As rural places face the significant social and economic challenges that accompany population decline, it is imperative that researchers work to understand, strengthen, and maintain rural areas. In 2012, the Center for Rural Studies at Sam Houston State University conducted the first Texas Rural Survey. Between August and October 2012, Texas residents from 22 rural places³ were randomly selected to complete a questionnaire. The findings from the study were used to develop a series of summary reports regarding public services and community amenities, public perceptions of urban and rural living, economic development strategies and efforts, medical and healthcare services, and natural disaster issues.

The results from the 2012 survey prompted an interest in a subsequent study. In 2013, the Texas Rural Survey was revised and sent to residents of 22 additional rural Texas places. This report explains the methodology and summarizes the findings from one topical section of the study.

The 2013 Texas Rural Survey

Between June and August 2013, a random sample of 5,608 individuals living in 22 Texas rural places were contacted and asked to participate in the 2013 Texas Rural Survey. This report explains the methodology and summarizes the findings from one topical section of the study.

Methodology

Study Site Selection

In 2010, according to the Texas State Data Center, there were 1,752 places in Texas with 1,511 (86%) of those places having a population of 10,000 or less. Following the methodology used in the 2012 Texas Rural Survey, one place within each of three population categories (499 or fewer, 500-1,999, and 2,000-10,000) was selected as a study site within each of the seven Rural Economic Development Regions as classified by the Texas Department of Agriculture. In addition, because there are a large number of places in the 499 or fewer population category in the West Region, an additional study site was added to the sample. In total, 22 places were randomly selected as study sites (see Appendix). Study sites included both incorporated places (concentrations of

^{1, 2} U.S. Census Bureau. 2010a. "2010 Census Urban Lists Record Layouts."
http://www.census.gov/geo/reference/ua/uallists_la_yout.html

³ For our purposes, the term "places" refers to incorporated places and census designated places.

population having legally defined boundaries) and census designated places (concentrations of population that are locally identifiable by name but not legally incorporated).⁴

Data Collection

Following the multiple contact approach of the tailored design method,⁵ standard self-administered mail surveys were distributed to households in the study site locations. In early June 2013, an informational letter was mailed to a stratified random sample of 5,608 households across the 22 study sites. The informational letter, printed in English on one side and Spanish on the other, notified residents that their household had been randomly selected to participate in an upcoming study focused on rural Texas. The letter contained instructions for completing the questionnaire in one of two ways: (1) online at the provided URL, or (2) by returning the mailed questionnaire they would soon receive. Of the selected households, no rejections to participation in the study nor mistaken addresses were identified. Therefore, the final sample size remained at 5,608.

Later in June 2013, the survey questionnaire was mailed to the sampled households. In order to obtain a representative sample of individuals within the households, the cover letter requested that the adult in the household who had most recently celebrated his or her birthday would be the one to complete and return the survey. The 52-item survey questionnaire was offered in English and Spanish as a self-completion booklet and online, and it required approximately 50 minutes to complete. After the initial survey mailing and two follow-up mailings during July and August, 757 completed questionnaires⁶ were returned for a response rate of 13.5 percent.

Economic Development Strategies and Efforts

To ascertain rural residents' views on economic development strategies and efforts, their responses to specific survey items were examined. These items included: (1) respondents' awareness of their community leaders' efforts to pursue selected economic development strategies; (2) respondents' impressions of the objective or perceived results on their community when or if their community leaders pursued the selected economic development strategies; and, (3) respondents' perceptions of state support of economic development in rural Texas.

Assessing Respondents' Awareness of Their Community Leaders' Efforts to Pursue Selected Economic Development Strategies

Respondents were asked to report whether or not they had any knowledge of the leaders in their communities pursuing the following 14 selected economic development strategies: (1) provided tax incentives to companies to locate in the community; (2) promoted development of wind energy; (3) promoted development of bioenergy resources; (4) provided loans to small business and entrepreneurs in the community; (5) provided training or technical assistance to small businesses and entrepreneurs in the community; (6) developed and/or promoted a youth entrepreneurship program in local schools; (7) promoted tourism in the community; (8) developed and/or promoted a continuing education program in the community; (9) developed and/or promoted industrial parks in the community; (10) developed and/or promoted distance learning opportunities in the community; (11) improved access to high-speed internet in the community; (12) developed and/or promoted retail shopping in the community; (13) provided land or other

⁴ U.S. Census Bureau, 2012. "Geography." <http://www.census.gov/geo/index.html>

⁵ Dillman, Don A., Jolene D. Smyth, and Leah Melani Christian. 2009. *Internet, Mail, and Mixed-Mode Surveys: The Tailored Design Method*. Hoboken, NJ: John Wiley & Sons, Inc.

⁶ One household requested a Spanish mail survey, and one completed the Spanish version online. In total, 701 completed the mail survey and 56 completed the online survey.

incentives to bring new residents to the community; and, (14) employed strategies to recruit retirees to the community.

Table 1 lists economic development strategies by the percentage of individuals reporting their local leaders pursued that strategy. At the top of this list, respondents from across the sample were most likely to report that local leaders had pursued improved access to high-speed internet and tourism in the community (31.5% and 31.2%, respectively). Developing or promoting a continuing education program was third at 23.9 percent, with all other strategies being reported

by less than 20 percent of respondents. Respondents were most aware that their local leaders were NOT pursuing retail development (52.1% “no”), followed by providing land (48.3% “no”), recruiting retirees (46.7% “no”), and promoting wind energy (46.6% “no”). Responses in the “don’t know” category ranged from 29.1 percent for retail shopping centers up to 52.8 percent for bioenergy promotion, demonstrating that many respondents remain uncertain about the economic strategies being pursued by local leaders – although respondents are more certain of some than others.

Table 1: Knowledge of Community Leaders Pursuing Selected Economic Development Strategies (Overall Sample)

Economic Development Strategies	% Yes	% No	% Don't Know
Improved access to high-speed internet in your community	31.5	34.2	34.3
Promoted tourism in your community	31.2	37.4	31.4
Developed and/or promoted a continuing education program in your community	23.9	40.1	36.0
Developed and/or promoted industrial parks in your community	19.4	44.4	36.2
Provided tax incentives to companies to locate in your community	19.1	28.7	52.2
Developed and/or promoted retail shopping centers in your community	18.8	52.1	29.1
Developed and/or promoted a youth entrepreneurship program in your local school(s)	18.3	31.4	50.3
Developed and/or promoted distance learning opportunities in your community	15.6	38.5	45.9
Provided loans to small businesses and entrepreneurs in your community	14.0	34.1	51.9
Provided land or other incentives to bring new residents to the community	12.3	48.3	39.4
Promoted development of wind energy	8.7	46.6	44.7
Provided training or technical assistance to small businesses and entrepreneurs in your community	7.9	39.7	52.4
Employed strategies to recruit retirees to your community	7.1	46.7	46.2
Promoted development of bioenergy resources	2.4	44.8	52.8

Tables 2, 3, and 4 compare the findings across the three size-of-place population categories. In places with populations of 499 or fewer, respondents were most aware of efforts to improve access to high-speed internet (37.8%) and promote tourism (35.5%), with other strategies trailing far behind these two. These two strategies also topped the list for respondents in places with populations between 500 and 1,999, with 27.9 and 21.4 percent of

respondents aware of these strategies. In these mid-sized settlements, continuing education and industrial parks (18.8% and 18.2%, respectively) scored close to the top of the list as well, with all other strategies scoring less than 15 percent. Residents in places with populations between 2,000 and 10,000 reported higher awareness of their community leaders’ efforts to pursue economic development strategies overall. There, the strategies respondents were most

aware of their community leaders pursuing were the promotion of tourism (40.3%), continuing education programs (36.8%), retail shopping development (34.6%), tax incentives (31.8%), and high-speed internet development (31.3%).

By contrast, the one strategy that respondents in the small and mid-size places were most aware of their community leaders NOT pursuing was the development and/or promotion of retail shopping centers (58.4% of respondents in

places with populations of 499 or fewer reported “no” and 59.3% of respondents in places with populations between 500 and 1,999 reported “no”). Respondents in the larger places (those between 2,000 and 10,000 in population) were most aware of their community leaders NOT pursuing the development of wind energy (42.6% reported “no”) or the development of bioenergy resources (42.5% reported “no”).

Table 2: Knowledge of Community Leaders Pursuing Selected Economic Development Strategies (Fewer than 499)

Economic Development Strategies	% Yes	% No	% Don't Know
Improved access to high-speed internet in your community	37.8	29.9	32.3
Promoted tourism in your community	35.5	36.1	28.4
Developed and/or promoted a youth entrepreneurship program in your local school(s)	16.2	35.3	48.5
Developed and/or promoted a continuing education program in your community	15.8	44.8	39.4
Promoted development of wind energy	15.2	47.3	37.5
Developed and/or promoted industrial parks in your community	13.3	49.7	37.0
Developed and/or promoted distance learning opportunities in your community	12.3	39.5	48.2
Provided tax incentives to companies to locate in your community	11.0	40.2	48.8
Developed and/or promoted retail shopping centers in your community	9.0	58.4	32.6
Employed strategies to recruit retirees to your community	7.8	44.9	47.3
Provided loans to small businesses and entrepreneurs in your community	7.3	45.1	47.6
Provided land or other incentives to bring new residents to the community	6.0	53.6	40.4
Provided training or technical assistance to small businesses and entrepreneurs in your community	4.2	49.7	46.1
Promoted development of bioenergy resources	3.0	47.9	49.1

Table 3: Knowledge of Community Leaders Pursuing Selected Economic Development Strategies (500 to 1,999)

Economic Development Strategies	% Yes	% No	% Don't Know
Improved access to high-speed internet in your community	27.9	40.1	32.0
Promoted tourism in your community	21.4	44.9	33.7
Developed and/or promoted a continuing education program in your community	18.8	46.7	34.5
Developed and/or promoted industrial parks in your community	18.2	48.9	32.9
Developed and/or promoted a youth entrepreneurship program in your local school(s)	14.8	34.7	50.5
Provided tax incentives to companies to locate in your community	14.1	31.4	54.5
Developed and/or promoted distance learning opportunities in your community	12.5	43.4	44.1
Developed and/or promoted retail shopping centers in your community	12.4	59.3	28.3
Provided land or other incentives to bring new residents to the community	10.8	53.8	35.4
Provided loans to small businesses and entrepreneurs in your community	6.9	39.7	53.4
Provided training or technical assistance to small businesses and entrepreneurs in your community	4.0	43.3	52.7
Employed strategies to recruit retirees to your community	2.5	56.1	41.4
Promoted development of wind energy	1.8	49.3	48.9
Promoted development of bioenergy resources	1.4	44.8	53.8

Table 4: Knowledge of Community Leaders Pursuing Selected Economic Development Strategies (2,000 to 10,000)

Economic Development Strategies	% Yes	% No	% Don't Know
Promoted tourism in your community	40.3	28.7	31.0
Developed and/or promoted a continuing education program in your community	36.8	27.8	35.4
Developed and/or promoted retail shopping centers in your community	34.6	37.9	27.5
Provided tax incentives to companies to locate in your community	31.8	16.4	51.8
Improved access to high-speed internet in your community	31.3	29.9	38.8
Provided loans to small businesses and entrepreneurs in your community	28.4	18.6	53.0
Developed and/or promoted industrial parks in your community	25.7	34.6	39.7
Developed and/or promoted a youth entrepreneurship program in your local school(s)	24.5	24.1	51.4
Developed and/or promoted distance learning opportunities in your community	22.1	31.5	46.4
Provided land or other incentives to bring new residents to the community	19.1	37.2	43.7
Provided training or technical assistance to small businesses and entrepreneurs in your community	15.7	27.3	57.0
Promoted development of wind energy	12.5	42.6	44.9
Employed strategies to recruit retirees to your community	12.5	36.1	51.4
Promoted development of bioenergy resources	3.3	42.5	54.2

Assessing Respondents' Impressions of the Objective or Perceived Results on Their Community When or If Their Community Leaders Pursued the Selected Economic Development Strategies

Regardless of their knowledge about the leadership in their community pursuing the economic development strategies listed in the previous section, respondents were asked to indicate the effect they believe has resulted (or would result) from their community leaders pursuing the same 14 economic development strategies. Five answer categories were used to gauge the perceived benefit of each strategy according to the respondent, from a "very negative effect" to a "very positive effect." To simplify the analysis and presentation, these data points were recoded into a three-point scale from -1 (any negative effect), through 0 (neither negative nor positive effect), up to 1 (any positive effect). An analysis of variance (ANOVA) was used to determine the statistical significance of differences across population categories, illuminating differences that are too large to be due to chance or sampling error.

Overall, the strategies respondents believe had or will have the most positive effect are improving high-speed internet access ($M = 0.50$), followed by developing and/or promoting a continuing education program and developing and/or promoting a youth entrepreneurship program ($M = 0.47$ for each), with other strategies rated substantially lower. Those strategies judged to have the least positive effect

were developing wind energy ($M = 0.16$) and developing bioenergy resources ($M = 0.11$).

Looking across population categories, some important differences existed. The development and/or promotion of a continuing education program was perceived by residents in places with populations between 2,000 and 10,000 as the strategy that has had or will have the most positive effect ($M = 0.60$). That same strategy was ranked slightly lower by residents in the other size-of-place categories ($M = 0.45$ in places with populations between 500 and 1,999 and $M = 0.31$ in places with populations of 499 or fewer). Similarly, stark patterns existed for providing technical assistance to small businesses ($M = 0.52$ in places with populations between 2,000 and 10,000 and $M = 0.28$ or less in the other places) and providing tax incentives for companies to locate in the community ($M = 0.48$ in places with populations between 2,000 and 10,000, $M = 0.22$ in places with populations between 500 and 1,999 population, and $M = 0.80$ in places with populations of 499 or fewer). Developing industrial parks also scored much higher in the larger places ($M = 0.40$) as compared to those mid-size ($M = 0.23$) and smaller places ($M = -0.01$; the only negative mean score reported). It should be noted that respondents in the places with populations between 2,000 and 10,000 rated every economic development strategy equally or higher than the respondents from the other two population categories.

Table 5: Effects on Community When/If Community Leaders Pursued Selected Economic Development Strategies

Economic Development Strategies	Overall Sample		≤499		500 to 1,999		2,000 to 10,000		Sig.
	Rank	Mean	Rank	Mean	Rank	Mean	Rank	Mean	
Improving access to high-speed internet in your community	1	0.50	1	0.45	1	0.52	3 ^T	0.52	
Developing and/or promoting a continuing education program in your community	2 ^T	0.47	3 ^T	0.31	3	0.45	1	0.60	**
Developing and/or promoting a youth entrepreneurship program in your local school(s)	2 ^T	0.47	2	0.37	2	0.47	2	0.55	
Developing and/or promoting retail shopping centers in your community	4	0.36	7	0.24	4	0.34	6 ^T	0.48	**
Providing loans to small business and entrepreneurs in your community	5	0.35	5	0.29	7	0.27	5	0.50	**
Providing training or technical assistance to small businesses and entrepreneurs in your community	6 ^T	0.34	9	0.21	6	0.28	3 ^T	0.52	***
Developing and/or promoting distance learning opportunities in your community	6 ^T	0.34	6	0.26	5	0.32	9	0.41	
Promoting tourism in your community	8	0.33	3 ^T	0.31	8	0.24	8	0.47	**
Providing tax incentives to companies to locate in your community	9	0.27	13	0.08	10	0.22	6 ^T	0.48	***
Employing strategies to recruit retirees to your community	10 ^T	0.24	8	0.22	12	0.18	11	0.34	
Providing land or other incentives to bring new residents to the community	10 ^T	0.24	10	0.20	11	0.20	12	0.32	
Developing and/or promoting industrial parks in your community	12	0.23	14	-0.01	9	0.23	10	0.40	***
Promoting development of wind energy	13	0.16	11	0.16	13	0.12	13	0.20	
Promoting development of bioenergy resources	14	0.11	12	0.09	14	0.11	14	0.15	

** $p \leq 0.01$; *** $p \leq 0.001$

Coding: -1 = Negative Effect (very/somewhat); 0 = Neither; 1 = Positive Effect (very/somewhat)

T = tied rank

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

Respondents were asked what priority they believed the State of Texas should give to each of 10 activities to improve rural economies. Response categories included: “high priority,” “medium priority,” “low priority,” “not a priority,” and “don’t know.” As shown in Table 6, over half the sample answered “high priority” to promoting Texas agricultural products (58.3%), Texas oil and natural gas development (58.0%), and the development of small businesses in rural

Texas (55.2%). Promoting the development of telecommunications networks was ranked moderately high at 46.0 percent. Only about 1 in 3 respondents or less answered “high priority” to developing retail shopping centers and industrial parks in rural Texas. Responses were examined across population categories, but significant differences were not found.

Table 6: Economic Development Options for Rural Texas

Economic Development Options	Overall Sample	
	Rank	%HP
Promote Texas agricultural products	1	58.3
Promote Texas oil and natural gas development	2	58.0
Promote the development of small businesses in rural Texas	3	55.2
Promote the development of telecommunication networks in rural Texas	4	46.0
Promote tourism in rural Texas	5	39.9
Promote the location of manufacturing firms in rural Texas	6	37.8
Promote the expansion of existing industries in rural Texas	7	36.9
Promote Texas timber and wood by-products	8	34.1
Promote the development of retail shopping centers in rural Texas	9	33.4
Promote the development of industrial parks in rural Texas	10	30.1

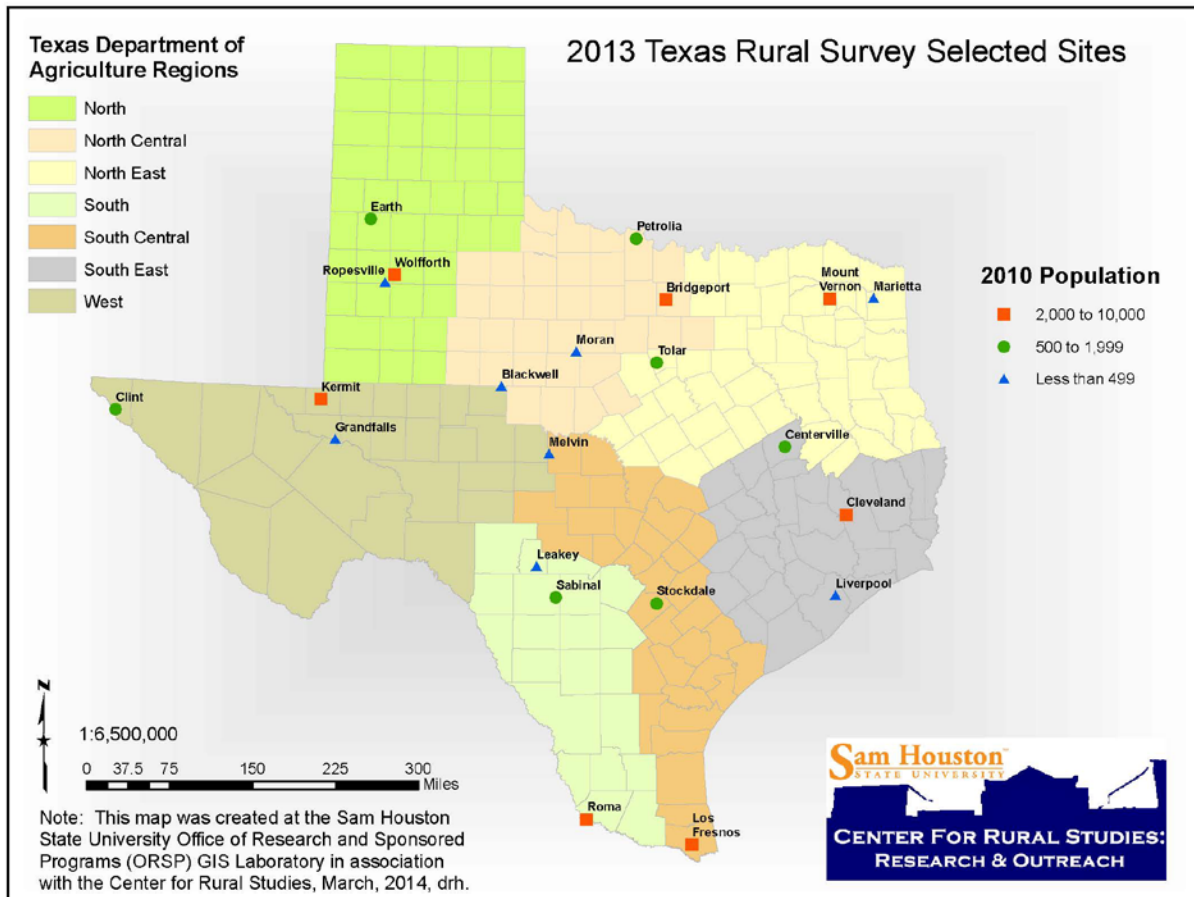
Concluding Comments

The findings of this study reveal somewhat of a disconnect between what rural Texas residents claim to know about the economic development strategies being pursued by their community leaders and what these same residents think has resulted or will result from their community leaders pursuing such strategies. Overall, as reported above, improved access to high-speed internet and the promotion of tourism were the two economic development strategies most respondents were aware of their leaders pursuing. When asked about the effect that both of those economic development strategies has had or will have on their local communities, respondents perceived improving access to high-speed internet services as having the most positive effect. However, the promotion of tourism ranked eighth in the overall sample as a strategy that has had or will have a positive effect. In short, rural residents believe that the pursuit of alternative economic development strategies might have even greater positive effects on

their local communities than tourism promotion. Included in this list of alternative strategies are: developing and/or promoting a continuing education program in the community, developing and/or promoting a youth entrepreneurship program in local schools, developing and/or promoting retail shopping centers in the community, providing loans to small businesses and entrepreneurs in the community, providing training or technical assistance to small businesses and entrepreneurs in the community, and developing and/or promoting distance learning opportunities in the community.

Lastly, the respondents in this study believed that the promotion of Texas agricultural products and Texas oil and gas development should be given the highest priorities from the state when it comes to fostering economic development in rural areas. Respondents rated “promoting the development of retail shopping centers” and “promoting the development of industrial parks” as lesser priorities.

Appendix



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