

Thinking Bigger About Smaller Places: Collective Impact Investing, Adjacent- Possible Innovation, and the Power of a New Rural Narrative

Presented to the
Delta Leadership Institute
Memphis, Tennessee
Wednesday, October 21st 2015

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Rural Policy Research Institute



Five Considerations

- I. Recalibrating the rural/urban paradigm and dialogue
- II. The global rationale for “Regional Rural Innovation”
- III. Rural imperatives, given this regional evidence
- IV. Challenging the hegemony of the urban metaphor, in a disruptive milieu
- V. “Adjacent Possible” rural opportunities

I. Recalibrating the rural/urban dialogue and paradigm

Rural and Urban Definitions

- No definition is perfect at capturing rural and urban population dynamics
 - Official Census Bureau definition of urban includes places from 2,500 to several million
 - OMB Core Based Statistical Areas include some very rural counties in metro areas, because of commuting patterns
- No categorical definition can properly capture the continuum.

Urban and Rural Areas

- The U.S. Census Bureau defines urban areas:
 - Core blocks and block groups with population density of 1,000 people per square mile.
 - Surrounding blocks with overall density of 500 ppmi²
 - Range in size from 2,500 people to over 18 million people.
 - **Rural** is everything that is not urban.
- Based on the 2010 Decennial Census:
 - 59 million people live in rural areas (19%)
 - 249 million people live in urban areas (81%)

Urbanized Areas and Urban Clusters



Data Sources: U.S. Census Bureau, 2012 TIGER/Line.

Note: Alaska and Hawaii not shown to scale

Map created by the Center for Applied
Research and Environmental Systems,
August 2013.



Is all urban the same, though?



New York-Newark
Population 18 million

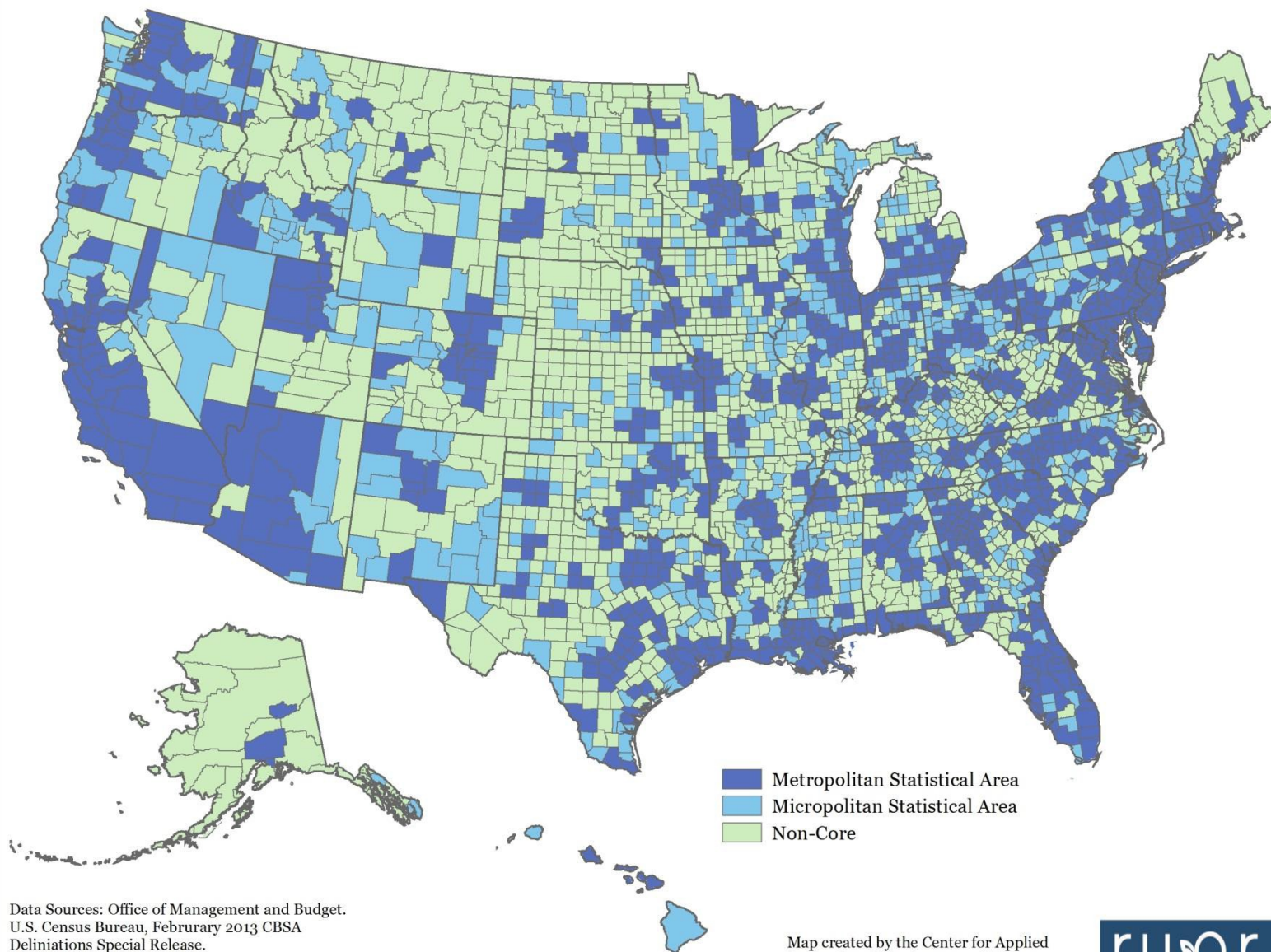


Bellevue, IA
Population 2,543

Core Based Statistical Areas

- Defined by the Office of Management and Budget.
- Designed to be **functional regions** around urban centers.
- Classification is based on counties.
- Three classifications of counties:
 - **Metropolitan**
 - **Nonmetropolitan** counties are divided into two types:
 - **Micropolitan**
 - **Noncore**

Core Based Statistical Areas



Data Sources: Office of Management and Budget.
U.S. Census Bureau, February 2013 CBSA
Delininations Special Release.

Note: Alaska and Hawaii not shown to scale

Map created by the Center for Applied
Research and Environmental Systems,
August 2013.



Usually, metropolitan is equated with urban and nonmetropolitan is equated with rural.

**So, if metropolitan is urban,
then...**

This is urban:



Los Angeles-Long Beach-Santa Ana, CA Metro Area
Population 12.8 million

And so is this:

Armstrong County, Texas
Population 1,901

Part of the Amarillo Texas
Metropolitan Area



**And if nonmetropolitan is rural,
then...**

This is rural:



Loving County, Texas
Population 82

And so is this:



Paducah, Kentucky
Population 48,791

Most Counties are Urban and Rural!



Coconino County, Arizona

Population 134,421

Flagstaff Metro Area

Most metropolitan areas contain rural territory and rural people.

In fact...

Over half of all rural people live in metropolitan counties!

Population Dynamics, 2010

Percent of U.S. Population by CBSA and Rural/Urban Status, 2010

	Urbanized Area	Urban Cluster	Rural	Total
Metropolitan	99.9%	36.7%	53.8%	85.0%
Micropolitan	0.1%	47.2%	22.0%	8.8%
Noncore	0.0%	16.1%	24.2%	6.2%
	100.0%	100.0%	100.0%	100.0%

53.8 % of the rural population is in Metropolitan Areas

Sources: U.S. Census Bureau and OMB

The Urban-Rural Continuum

- Important to look beyond the categories of “metropolitan” and “micropolitan”
- Metropolitan and micropolitan counties are either “central” or “outlying”
 - Outlying counties are included based on commuting flows only
- Outlying metropolitan counties are often very rural (Guthrie County, IA) , and are often even more rural than “noncore” counties

Changes in Population Dynamics

<i>U.S.</i>	Metro Central 2013	Micro Central 2013	Outlying or Noncore 2013
Metro Central 2009	658	4	10
Micro Central 2009	34	511	44
Outlying or Noncore 2009	37	34	1811

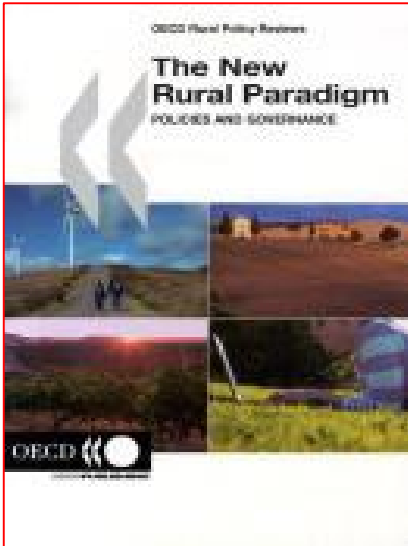
58 counties
became relatively
less urban

105 counties became
relatively more urban

II. The Global Rationale for “Regional Rural Innovation”



The OECD New Rural Paradigm (2006)



Guarantee an adequate **attention to rural issues**
And **empower** local communities and governments

	Old Paradigm	New Paradigm
Objectives	Equalization. Focus on farm income	Competitiveness of rural areas
Key target sector	Sector based	Holistic approach to include various sectors of rural economies
Main tools	Subsidies	Investments
Key actors	National governments, farmers	Multilevel-governance



Rural is not synonymous with agriculture
Rural is not synonymous with economic decline

43738

world development report

2009

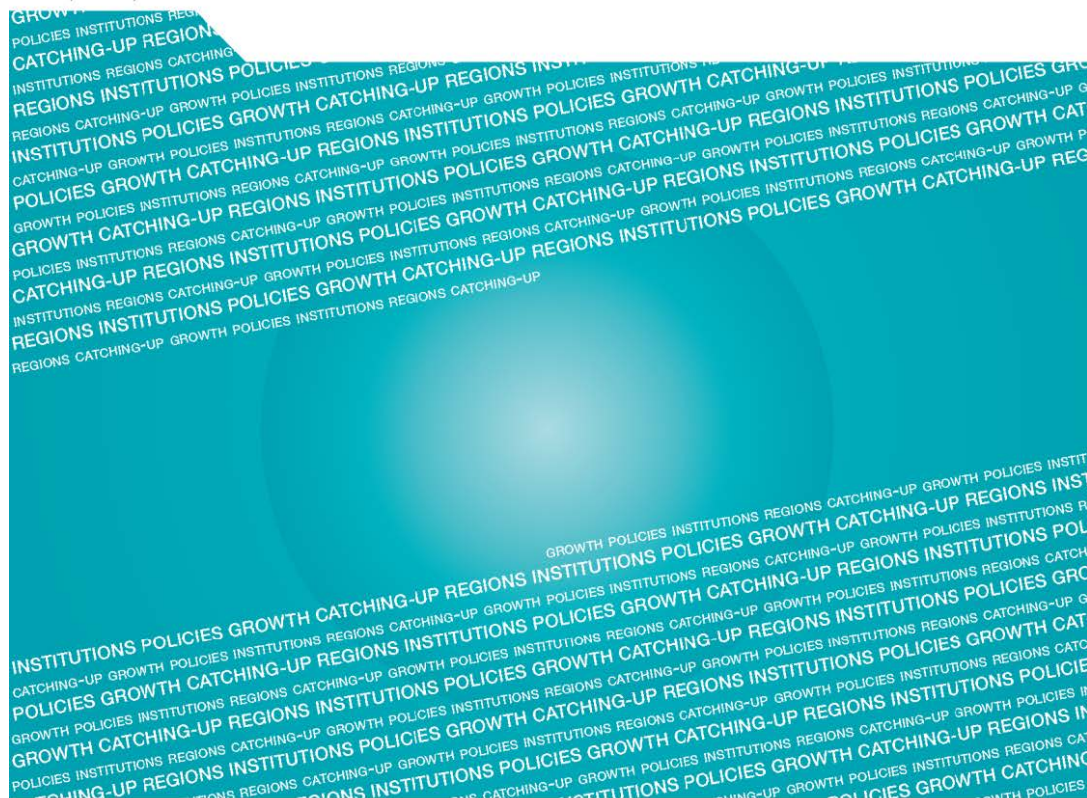
RESHAPING ECONOMIC GEOGRAPHY



THE WORLD BANK



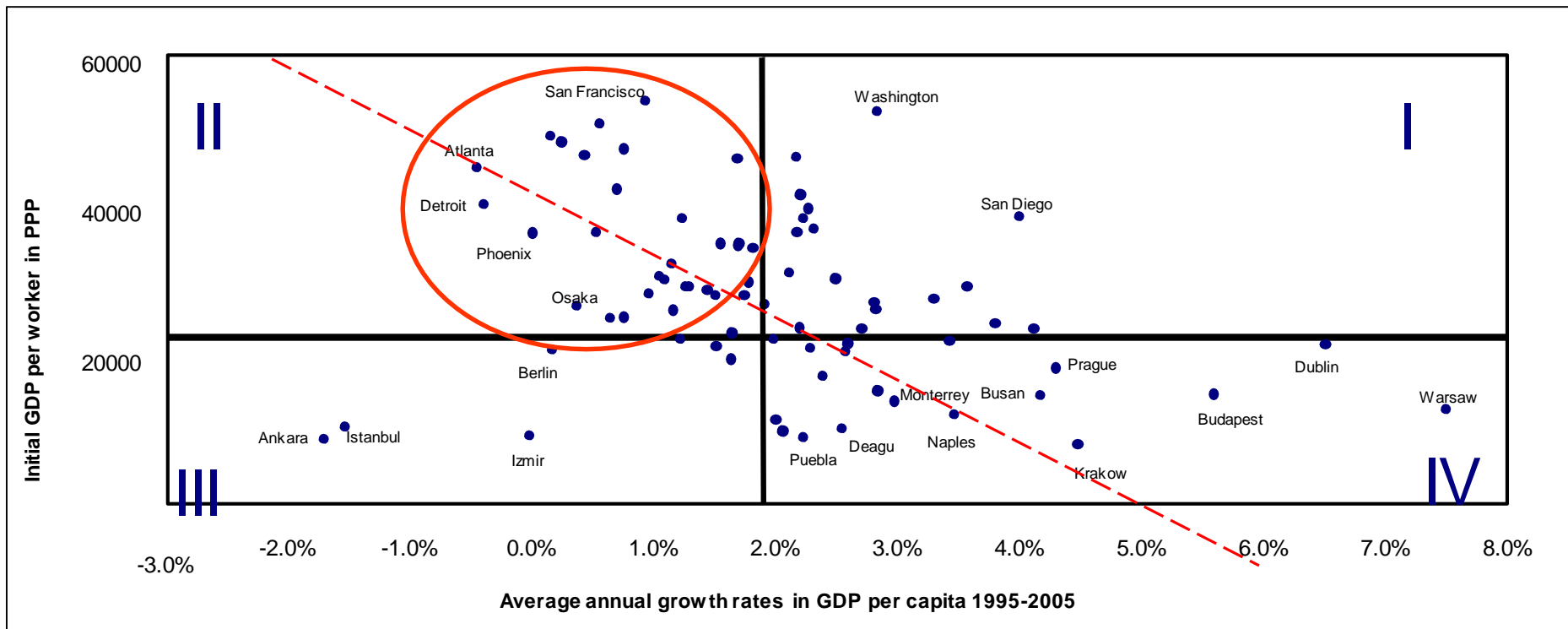
Promoting Growth in All Regions



...but not necessarily faster growth

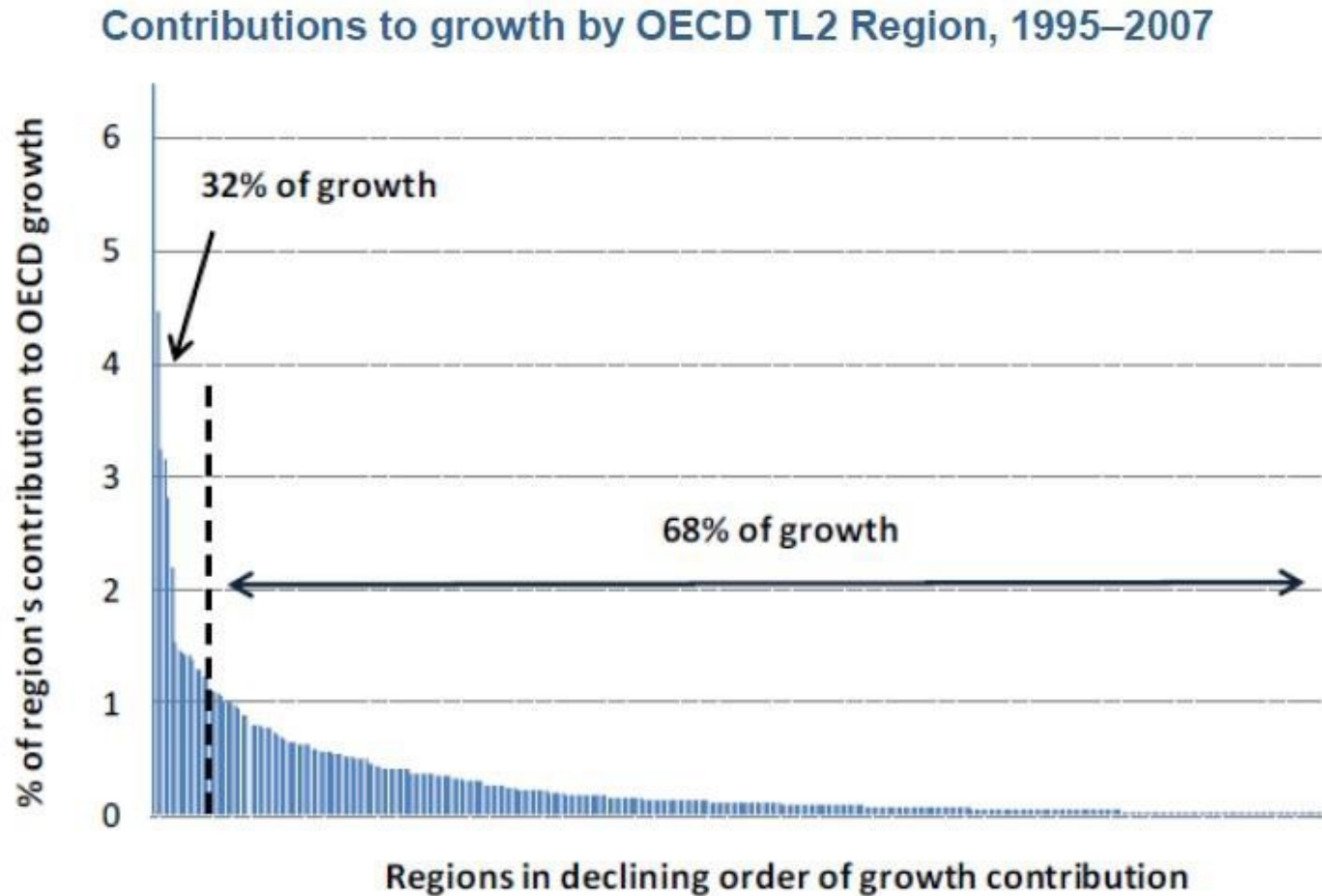
Only 45% of metro-regions grow faster than the national average.

Metro-regions appear to have entered in a process of convergence.



...signs of inefficiencies appear in significant number of metro-regions...

Contributions to aggregate growth depend on few hub regions...



Source: OECD Regional Database (Territorial Level 2 regions).

...the fat tail is equally important - if not more - to aggregate growth...

III. Rural imperatives, given this regional evidence

The Critical Question:

“What policy framework will best integrate rural and urban initiatives and programs, to advantage both ag and non-ag rural constituencies, their communities and regions, and enhance their children’s potential to thrive there in the 21st century?”

The Framework for Regional Rural Innovation



Critical Internal Considerations

- Wealth Creation, Intergenerational Wealth Retention, and Appropriate Wealth Distribution
- Youth Engagement, Retention, and Leadership Development
- Social Inclusion and Social Equity Considerations
- Specific Attention to Social Mobility and Inequality

Eight Forms of Rural Health

Physical

Financial

Natural

Human

Intellectual

Social

Cultural

Political

What is Demanded?

1. Asset-based development
2. Regional frameworks
3. Regional Innovation Policies Which Align Rural and Urban Interests
4. Support for New Intermediaries

5. Attention to Working Landscapes
6. Bridging Innovation and Entrepreneurship Support Systems, Across the Rural/Urban Chasm
7. Addressing Spatial Mismatch in Key Sectoral Alignments
8. Innovative and Linked Investment Approaches Which Enhance Jurisdictional and Cross-Sectoral Collaboration

IV. Challenging the hegemony of the urban metaphor, in a disruptive milieu

"All the News
That's Fit to Print"

The New York Times

VOL. CLXII . . . No. 56,072

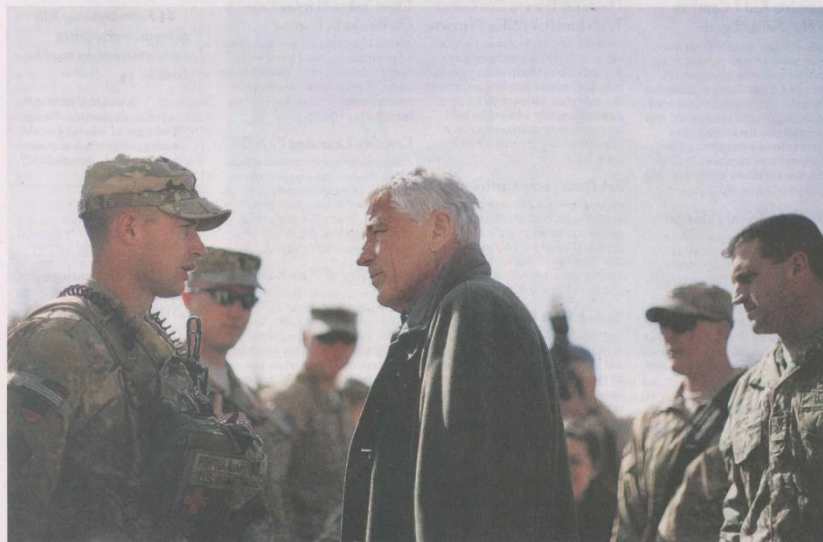
© 2013 The New York Times

MONDAY, MARCH 11, 2013

National Edition

Mostly cloudy north. Part mostly sunny south. Highs in upper 20s to middle 40s. Clear, partly cloudy tonight. Lows in the 20s. Weather map, Page 1.

Printed in Columbia, Mo. \$



POOL PHOTO BY JASON REED

Defense Secretary Chuck Hagel spoke with American troops on Sunday at a military training center in Kabul, Afghanistan.

Afghan Leader Says U.S. Abets Taliban's Goal

Criticism Adds Tension to Hagel's First Visit

By ALISSA J. RUBIN
and THOM SHANKER

KABUL, Afghanistan — President Hamid Karzai leveled particularly harsh accusations against the United States on Sunday, suggesting that the Americans and the Taliban had a common goal in destabilizing his country. The comments cast a shadow on the first visit by Chuck Hagel as defense secretary.

The Afghan president's discontent with his American allies has been a recurring theme over the past 10 years. Still, his condemnation now, at a critical moment for talks under way on the shape and scope of any American military presence here past 2014, has raised new questions about the two countries' abilities to bridge their intensifying differences.

In recent days, Mr. Karzai has been the most critical about some of the policies that American officials have described as most important to their mission here, including the widespread use of Special Operations forces and a continuing say in how battlefield detainees are vetted and released. He has seized on both as violations of Afghan sovereignty, banning American commandos from Wardak Province and bristling at key terms in a negotiated agreement on Bagram Prison.

A result was a last-minute refusal by American officials on Saturday to hand the Afghan government full control of the prison.

After the cancellation of a joint news conference on Sunday — American officials said security concerns were the cause, even as Afghan officials dismissed that claim — Mr. Hagel and Mr. Karzai met for private discussions

Continued on Page A8

CUTS GIVE OBAMA PATH TO CREATING LEANER MILITARY

SOME PENTAGON BACKS

Bases, Health Program and Nuclear Arm Face Scrutiny

By DAVID E. SANGER
and THOM SHANKER

WASHINGTON — At a time when \$46 billion in mandated budget cuts are causing a stir at the Pentagon, administration officials see one potential benefit: there may be an opening for deep reductions in programs long in President Obama's shadow and long resisted by Congress.

On the list are not only closings but also an additional reduction in deployed nuclear weapons and stockpiles and restructuring of the military's insurance program that more than America spends of its diplomacy and foreign aid around the world. Also being considered is yet another step back in next-generation fighter planes, starting with the F-35, the most expensive weapons program in United States history.

None of those programs is going away. But inside the Pentagon, even some senior officials are saying that the reductions, if done smartly, could easily be those mandated by sequestration, as the cuts are called. Leave room for the areas the administration believes will be required.

These include building out developing offensive and defensive cyberweapons and focus on Special Operations forces. Publicly, at least, Mr. Obama has not backed any of those even though he has deplored a "dumb" approach of simply cutting every program in the military equally.

Mr. Obama will visit Camp David on Tuesday in another attempt to persuade lawmakers to reach a long-term deficit-reduction deal and replace the current cuts with more targeted ones. [Page A14.]

Still, Pentagon officials are

Continued on Page A14

Small States Find Outsize Clout Growing in Senate

By ADAM LIPTAK

RUTLAND, Vt. — In the four years after the financial crisis struck, a great wave of federal stimulus money washed over Rutland County. It helped pay for bridges, roads, preschool programs, a community health center, buses and fire trucks, water mains and tanks, even a project to make sure fish could still swim down the river while a bridge was being rebuilt.

Just down Route 4, at the New York border, the landscape abruptly turns from spiffy to scruffy. Washington County, N.Y., which is home to about 60,000 people — just as Rutland is — saw only a quarter as much money.

DEMOCRACY TESTED Unequal Representation

"We didn't receive a lot," said Peter Aust, the president of the local chamber of commerce on the New York side. "We never saw any of the positive impact of the stimulus funds."

Vermont's 625,000 residents have two United States senators, and so do New York's 19 million. That means that a Vermonter has 30 times the voting power in the Senate of a New Yorker just over the state line — the biggest inequality between two adjacent states. The nation's largest gap, between Wyoming and California, is more than double that.

The difference in the fortunes of Rutland and Washington Counties reflects the growing disparity in their citizens' voting power, and it is not an anomaly. The Constitution has always given residents of states with small populations a lift, but the size and importance of the gap has grown markedly in recent decades, in ways the framers probably never anticipated. It affects the political dynamic of issues as varied as gun control, immigration and campaign finance.

In response, lawmakers, lawyers and watchdog groups have begun pushing for change. A lawsuit to curb the small-state advantage in the Senate's rules is moving through the courts. The Senate has already made modest changes to rules con-

Continued on Page A12

As North Korea Blusters, South Breaks Taboo With Nuclear Talk

By MARTIN FACKLER and CHOE SANG-HUN

SEOUL, South Korea — As their country prospered, South Koreans largely shrugged off the

opinion polls show that two-thirds of South Koreans support the idea posed by a small but



Algorithms G



A History of Future Cities

DANIEL BROOK



THE METROPOLITAN REVOLUTION

How Cities and Metros
Are Fixing Our Broken
Politics and Fragile Economy

BIG DATA, CIVIC HACKERS, AND THE
QUEST FOR A NEW UTOPIA



SMART CITIES

ANTHONY M. TOWNSEND



Digital
Cosmopolitans in the
Age of Connection

REWIRE

ETHAN
ZUCKERMAN

CITIES

ARE

GOOD

FOR

YOU

THE
GENIUS OF THE
METROPOLIS



LEO
HOLLIS

LEAVING THE LAND

China's Great Uprooting: Moving 250 Million Into Cities

Articles in this series look at how China's government-driven effort to push the population to towns and cities is reshaping a nation that for millennia has been defined by its rural life.



http://www.nytimes.com/2013/06/16/world/asia/chinas-great-uprooting-moving-250-million-into-cities.html?pagewanted=all&_r=0

“All great truths begin as blasphemies.”

--George Bernard Shaw



V. “Adjacent Possible” Rural Opportunities

Adjacent Possibilities

- RWJ's Signature Strategy: A Culture of Health
- Collective Impact: The SOAR Example as a Framework for Rural Futures
- Former USDA Secretary Dan Glickman's recent Op-Ed



SOAR

Shaping Our Appalachian Region

Op-Ed by former USDA Secretary Dan Glickman: *The Hill*, November 14, 2014

“The food, agriculture, health, hunger, and nutrition sectors need to create new ways of working together that harness their shared commitment to improving health through food and nutrition ... We also need to explore new approaches to integrate programs, so together they support better health outcomes ... There are a variety of government, foundation, and cooperative initiatives underway, and new, innovative models are being explored across the country. But these efforts often operate in functional silos, instead of setting a common table for all.”



Three Questions:

Innovating What?

Diversifying How?

Transitioning Where?

Innovating What?

How “we” consider “us”

How we “see” our region

How we “consider” our options

How we support the “connectors”

Diversifying How?

In our vision of the future

In our sense of possibility

In our actions and alignments

In our new collaborations

In our narrative and networks

Transitioning Where?

Stanford SOCIAL INNOVATION Review

Informing and inspiring leaders of social change

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NONPROFIT MANAGEMENT

Collective Impact

Large-scale social change requires broad cross-sector coordination, yet the social sector remains focused on the isolated intervention of individual organizations.

SHARE PRINT DOWNLOAD ORDER REPRINTS COMMENT

By John Kania & Mark Kramer | 90 | Winter 2011

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SELE

Five Conditions for Collective Impact Success

I. Common Agenda

- Shared vision for change

II. Mutually Reinforcing Activities

- Differentiated, but still coordinated

III. Backbone Organization

- Serves entire initiative, coordinating participating organizations, firms and agencies

Five Conditions for Collective Impact Success (cont'd)

IV. Continuous Communication

- Consistent, open, unmediated

V. Rigorous and Shared Measurement

- Collecting predictive indicators, regional data: then measuring ongoing results consistently



“What lies behind us,
and what lies before us
are tiny matters
compared to
what lies within us.”

-Ralph Waldo Emerson



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Addendum: OECD Graphs

Promoting Growth in All Regions



GROWTH
POLICIES INSTITUTIONS REGIONS
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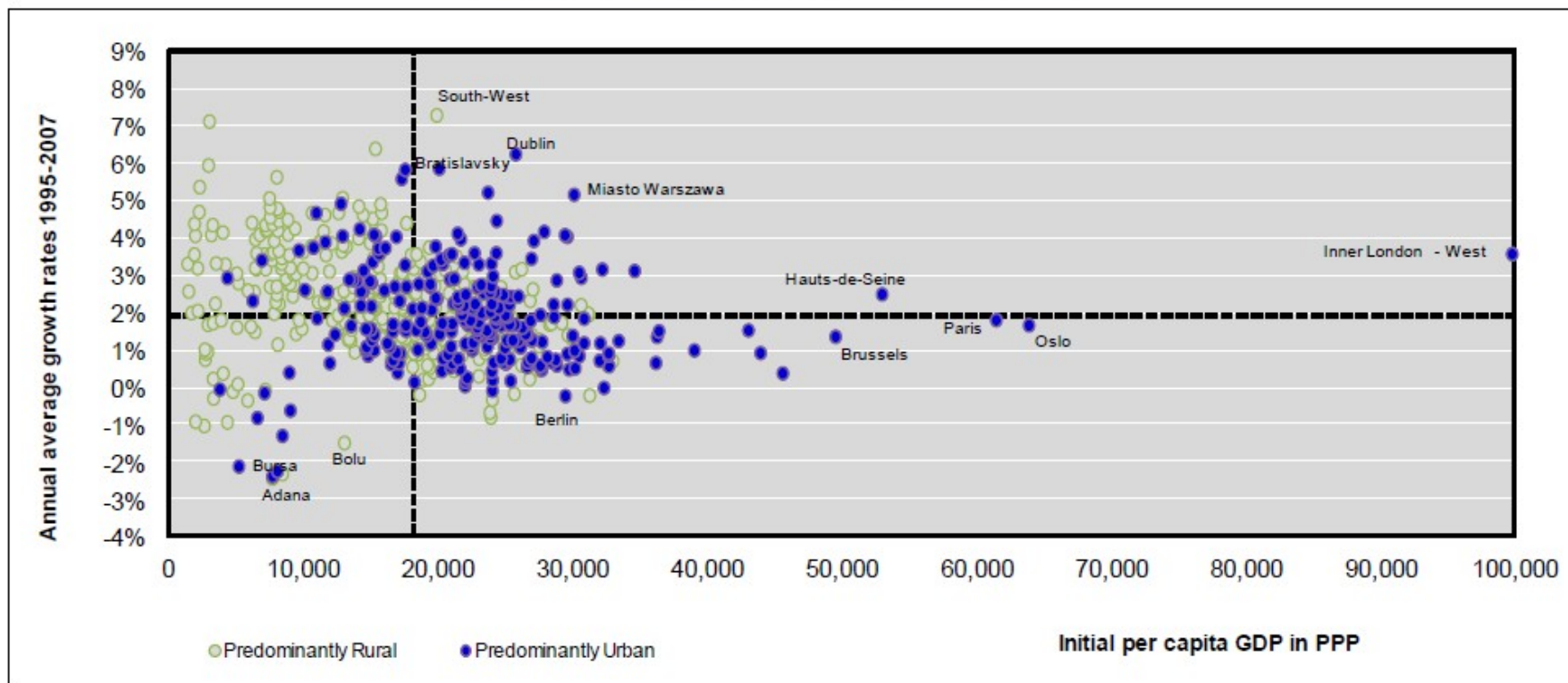




There is no single/unique path to growth...

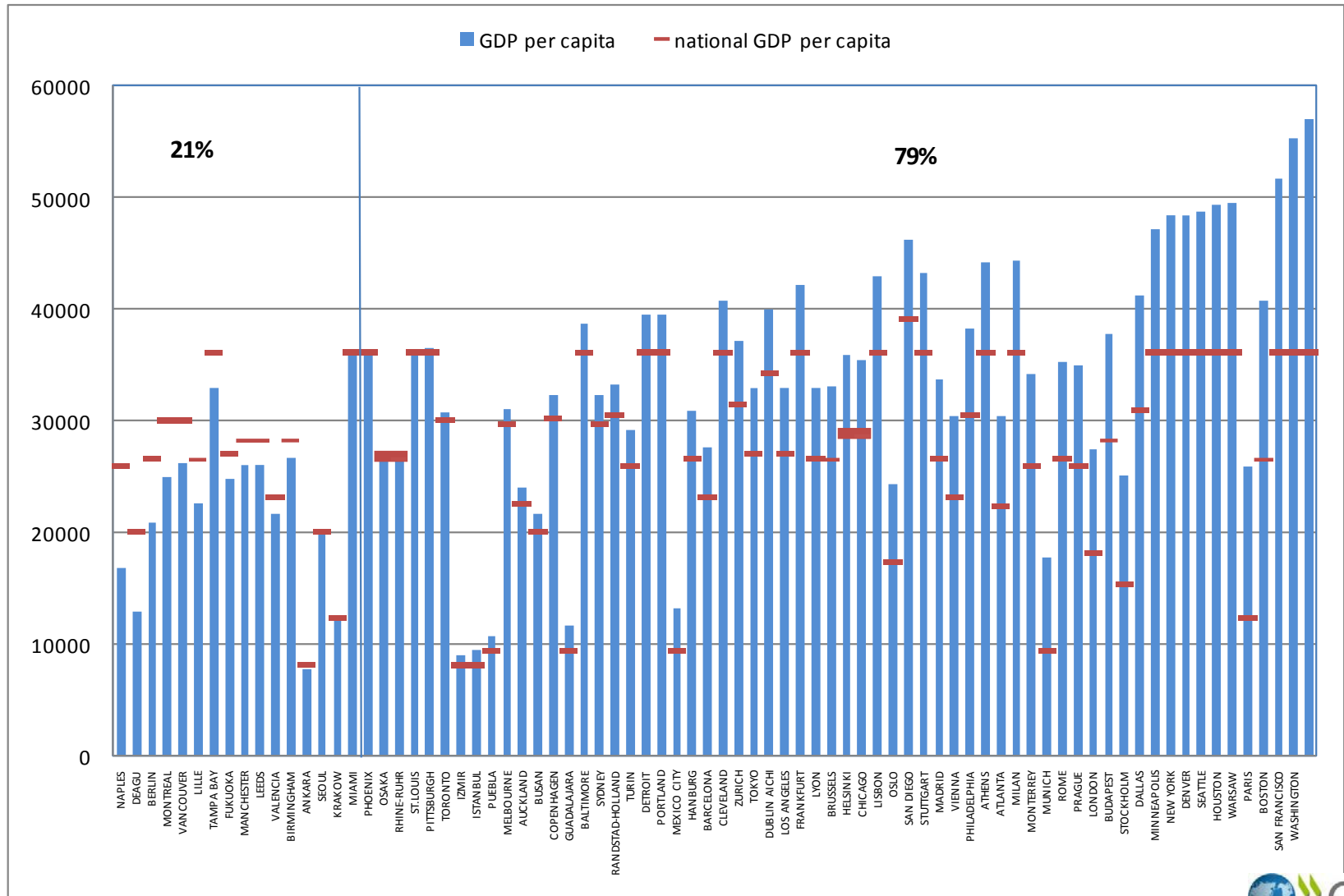
No marked convergence or divergence profiles by type of region

Predominantly urban and rural regions, 1995-2007





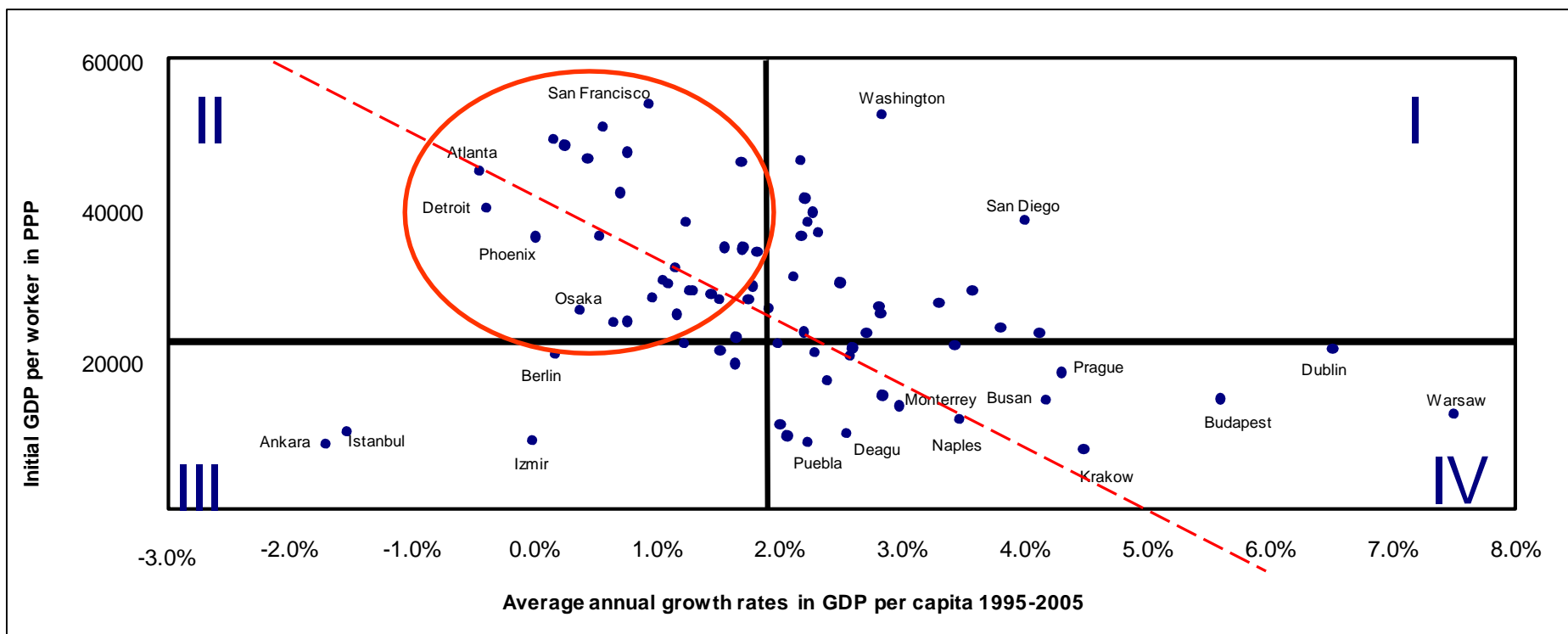
Concentration → high levels of GDP pc



...but not necessarily faster growth

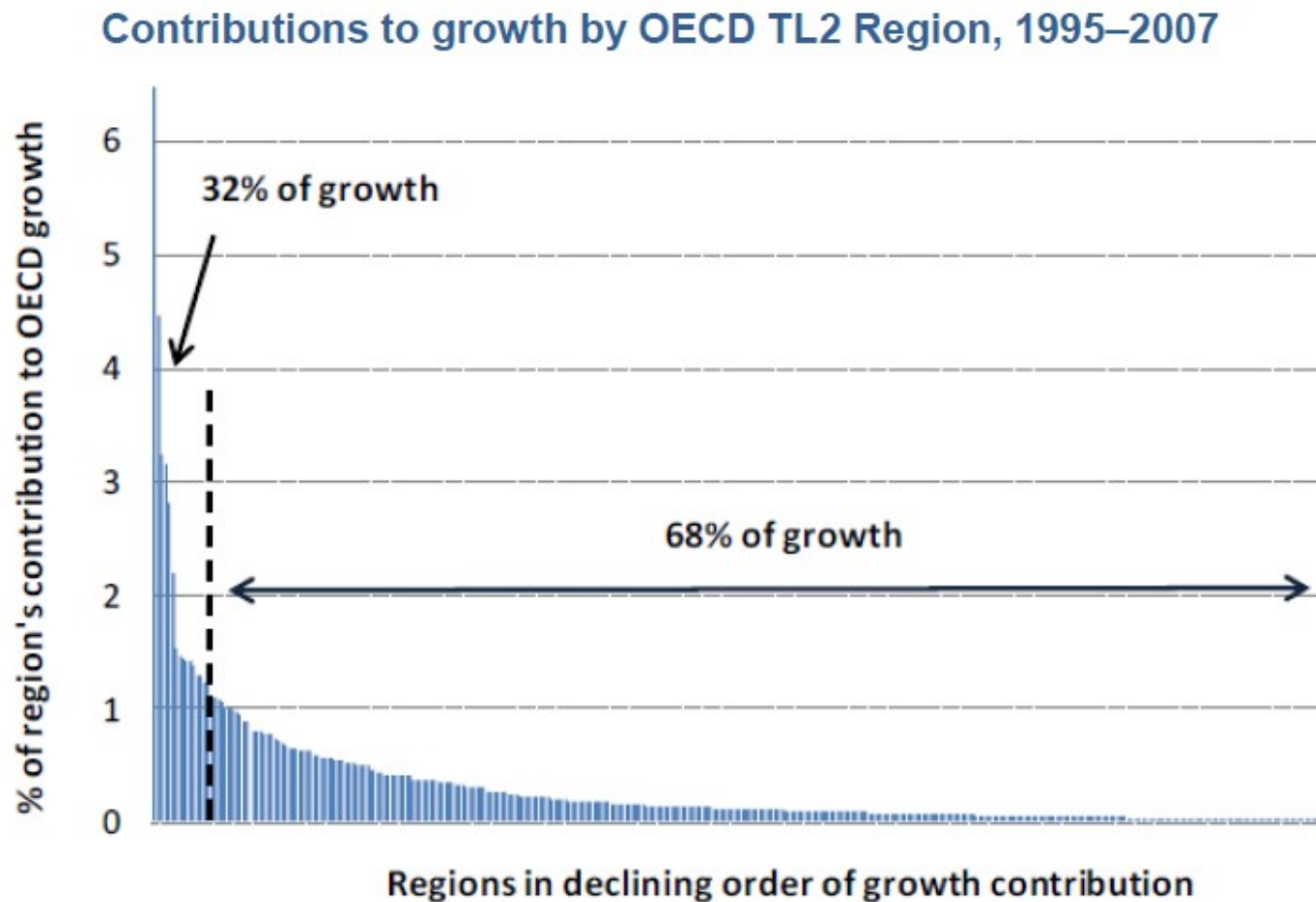
Only 45% of metro--regions grow faster than the national average.

Metro-regions appear to have entered in a process of convergence.



...signs of inefficiencies appear in significant number of metro-regions...

Contributions to aggregate growth depend on few hub regions...

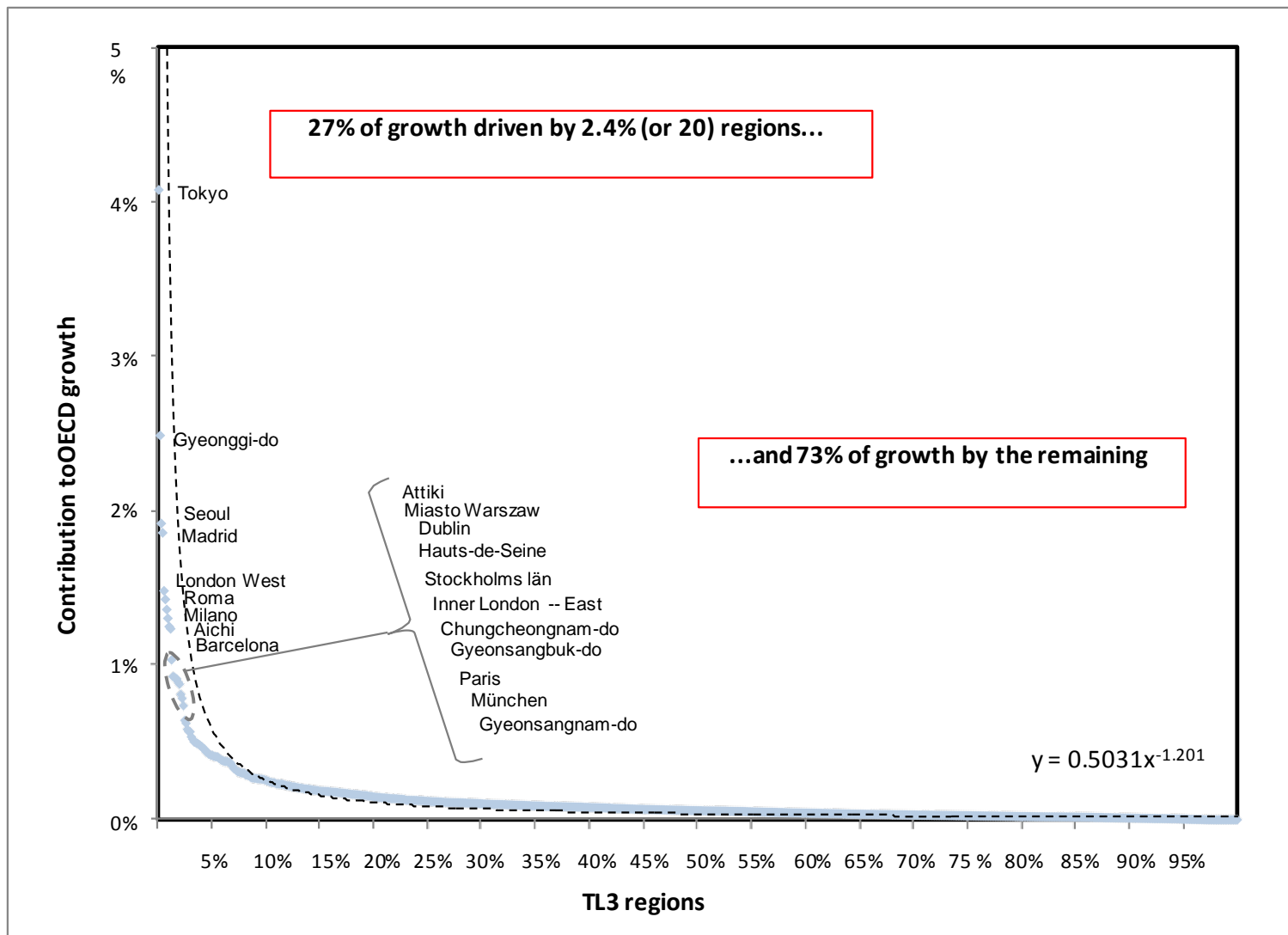


Source: OECD Regional Database (Territorial Level 2 regions).

...the fat tail is equally important -- if not more -- to aggregate growth...



Contributions to growth OECD TL3 regions





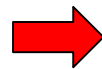
Lagging regions contribute to national growth

Lagging Regions Contribution to Aggregate Growth

	lagging	leading
Australia	29%	71%
Austria	53%	47%
Canada	26%	74%
Czech Republic	62%	38%
Finland	35%	65%
France	68%	32%
Germany	27%	73%
Greece	-16%	116%
Hungary	34%	66%
Italy	26%	74%
Japan	27%	73%
Korea	23%	77%
Mexico	44%	56%
Netherlands	49%	51%
Norway	61%	39%
Poland	44%	56%
Portugal	54%	46%
Slovak Republic	67%	33%
Spain	48%	52%
Sweden	58%	42%
Turkey	47%	53%
United Kingdom	57%	43%
United States	51%	49%
average unweighted	43%	57%
average weighted	44%	56%

*Overall, they contributed to
44% of aggregate OECD
growth in 1995-2007.*

*In eight OECD countries lagging regions
contributed more to national growth
than leading regions.*



*Bottom line: support for lagging regions need
not be merely a “social” policy. They contribute
a large share of national growth.*