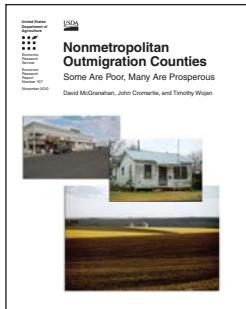


ERS Report Summary

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Nonmetropolitan Outmigration Counties: Some Are Poor, Many Are Prosperous

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What Is the Issue?

Population loss is a longstanding concern among rural development practitioners. Nearly half of today's nonmetropolitan counties lost population through net outmigration over the past 20 years; for over 700 counties, this loss has exceeded 10 percent. Population loss tends to increase tax burdens, reduce property values, and reduce both the demand for and supply of local goods and services. Rural outmigration is also troublesome because it is highly concentrated among young adults, especially those possessing or acquiring education and skills. But what makes outmigration counties different from nonmetro counties that gained from migration or at least had a more manageable loss over the past 20 years? This report identifies 733 nonmetro counties with an estimated net loss in population due to net outmigration of over 10 percent between 1988 and 2008, and compares their characteristics with other nonmetro counties.

What Did the Study Find?

Outmigration counties fall into two distinct types with very different sets of characteristics. One type, with poverty rates exceeding 25 percent in 1999, is clearly hampered by a lack of economic opportunities. High school completion rates are low, poverty rates average over 30 percent, and unemployment rates are chronically high in these high-poverty outmigration counties. The other set of counties, however, is generally prosperous. Overall, these counties have higher educational attainment and lower unemployment than rural counties without high outmigration. These counties tend to be remote, thinly settled, and lacking in scenic appeal for prospective residents or tourists. Quality-of-life considerations appear to be a main drawback for these low-poverty outmigration counties.

Age cohort migration. In general, young adults leave rural areas to attend college, serve in the military, or see the world. Rural areas gain population through the inmigration of young families, midlife career changers, and retirees. Outmigration counties tend to have greater net outflow of young adults than other nonmetro counties, losing, on average, the equivalent of over 6 percent of their population this way in 1990-2000. During this period, the low-poverty outmigration counties regained about 1 percent of their population through the net inflow of young families, but had little gain or loss among older cohorts. High-poverty outmigration counties lost young families, probably due to a lack of economic opportunity, but they, too, had little gain or loss among older

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cohorts. Most of the young adults moving into outmigration counties appear to be return migrants and related family members, with social ties a major draw.

County characteristics. Outmigration counties with high poverty share some characteristics with low-poverty outmigration counties. Both groups tend to have less manufacturing than other nonmetro counties, and both are rarely classified as recreation counties. Otherwise, differences are more striking than similarities. Outmigration counties with high poverty tend to have working-age populations with low rates of high school completion, very high unemployment, low rates of self-employment, and other conditions reflecting socioeconomic hardship. Outmigration counties with less poverty, however, have working-age populations with higher educational attainment than other nonmetro counties and higher employment rates. These counties are disadvantaged by their remoteness and low population density, their lack of forest cover, and lack of public land. Most low-poverty outmigration counties are in the lowest third of all nonmetro counties in landscape appeal. Thus, although favored by the level of human resources, these counties have difficulties attracting industries or people without long-term ties to the area.

Local problems facing manufacturers. A 1996 ERS survey asked manufacturers about local factors impeding their competitiveness, and the results show why manufacturers (and other employers) have avoided outmigration counties. In high-poverty outmigration counties, the factor most often cited as a major problem, by 41 percent of local manufacturers was the quality of local schools. Area attractiveness to managers and professionals was reported as a major problem by 28 percent of manufacturers in these counties, and 8 out of 10 of these manufacturers also reported the quality of schools as a major problem. In the low-poverty outmigration counties, only 8 percent cited the quality of local schools as a problem. Nonetheless, 25 percent of the manufacturers reported the unattractiveness of the area to managers and professionals as a major problem. In these counties, the problem appears to stem from their remoteness, small population size, and lack of landscape amenities. In addition, population loss itself may create an unattractive physical environment, characterized by empty commercial and residential buildings or public property with insufficient upkeep. Localities unattractive to manufacturing managers and professionals are likely unattractive to talented business owners and professionals in general.

How Was the Study Conducted?

ERS used annual estimates of net migration from the U.S. Census Bureau to identify nonmetro counties that lost 10 percent or more of their population through net outmigration. Statistical comparisons were made across a range of geographic, demographic, and socioeconomic indicators to determine what characteristics distinguish these counties from other nonmetro counties. Data from a variety of sources were used, including the 2000 Census of Population, the Bureau of Labor Local Area Unemployment System files, and the ERS Rural Manufacturing Survey.