Rural Development Hubs

Innovation Infrastructure for Rural America

North Carolina Rural Center

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Community Strategies Group

THE ASPEN INSTITUTE

Since 1985, CSG has worked to connect, motivate and equip leaders at the community and regional level to build more prosperous regions and advance those living on the economic margins – with 75% of that work in rural.







OUR WORK

Community Strategies Group
THE ASPEN INSTITUTE

FAMILY ECONOMIC SUCCESS

CSG builds the capacity of practitioners and policymakers to help families on the economic margins earn more, keep more of what they earn, and grow what they keep into assets for themselves and their communities.

REGIONAL ECONOMIC DEVELOPMENT

CSG advances the principles and practices of regional wealth-building as the means to better economic development policy and practice in the United States.

COMMUNITY DEVELOPMENT PHILANTHROPY

CSG builds the number and capacity of community and region-focused foundations that are taking leadership on – and making a significant difference in – improving the economy and livelihoods in their places.



WHY RURAL?

- Rural communities are **integral** to our nation's economy, culture, history – and future.
- Making progress on the issues of our time requires partnership *with* rural America.
- Rural America is often ***among the first*** to feel the effects of seismic changes in our economy and society, such as technological change – and often the last to recover.
- **70%** of the 473 **"persistent poverty" counties** in the United States are rural.
- **Today most rural efforts are sector specific**, rather than holistic; scattered, **lacking cohesion** and rarely focused on **structural drivers** of inequity.



*https://www.nytimes.com/2017/04/13/opinion/reaching-out-to-the-voters-the-left-left-behind.html

Session Objectives

1. Pinpoint the results that we want from “successful” rural community and economic development

2. Explain how some rural regions are “doing development differently”

3. Explore a “new breed” of regional actors – **Rural Development Hubs** – that are helping regions “do development differently” and work together for better family and economy results.

4. Detail ways to strengthen regional Hub action.

OBJECTIVES 1 & 2

Pinpoint the results that we want from “successful” rural community and economic development

Explain how some rural regions are “doing economic development differently”

Let's say you want to address a community issue like:

Hungry Children and Families

Option 1	Option 2	Option 3:
Feed people by supporting or setting up a food pantry	Provide training and assistance to parents so that they can save costs, repair finances, and get benefits, land a job (or a *better* job) – and afford to buy enough food.	Support strategies to modernize and grow the local economy and businesses so that you have an adequate supply of good jobs for all parents/adults.
Treat the symptoms	***Cure the disease***	***Prevent the disease***
Good	**Better**	**Even Better: *Transformative***

Economic development pushes you this way…
But in reality, all (and more) are part of economic development

A Wealth-Building Framework for Development



OUTCOME 1

Grow multiple forms of **CAPITAL**

Recognize, invest in and grow the many types of capital – individual, intellectual, social, natural, built, political, cultural and financial – needed to sustain an economy.

OUTCOME 2

Root **OWNERSHIP** in the Region

Create pathways for more local ownership, control and influence over economic drivers and the wealth those drivers generate.





OUTCOME 3

Improve **LIVELIHOODS** for those living on the margins

Strengthen and improve livelihoods – high quality, living-wage work and careers – for all residents, especially those on the economic margins.

A Note on Capital



Capital is **not just money.**

Capital includes **<u>all assets</u>** that can contribute to the well-being of people, places or economies.

Outcome 1: Eight Critical Forms of Capital

The Capital	The Definition
Individual	Skills, education, physical health and mental wellness
Intellectual	Knowledge, resourcefulness, creativity and innovation
Social	Trust, relationships and networks
Cultural	Traditions, customs and ways of doing
Natural	Water, air, forests and other natural amenities
Built	Physical infrastructure: Buildings, sewer systems, broadband, roads. *Etc.*
Political	Influence on decision-makers and resource allocation
Financial	Savings and investment

All are required to produce and sustain a healthy economy and families over the long-term!

Outcome 2: Rooting Wealth Locally

- Capitals that are "owned" locally build wealth.

- Ownership means you capture and control the flow of benefits from the capitals over time. It creates enduring, stable benefits.

- Benefits – e.g., income, know-how, better technology – flowing from local ownership of capitals can be re-invested and re-circulated locally, enriching many.

- Preserving local ownership or control over your capitals can increase the chances of preserving local jobs – and creating more.

- **Local ownership is an anchor** that helps wealth stick.



Outcome 3: Building Lasting Livelihoods for All

"Lasting livelihoods" means…

- Low-income residents are **doing better today** – improving health, education, living situations, and skills that will give them access to higher paying jobs over time.
- They are earning more and building careers.
- They are putting something aside for the future, e.g., **building assets – to become more resilient.**
- They have better future prospects so they can **give back** their time, talent, and even treasure to the community.



Our aim is to create a place at the table
for all parts of the community,
especially those parts that may look different or
have not always been included in the conversation.
Inclusion cannot happen on its own.
It must be an intentional part of any
economic or community development strategy.

Patrick Woodie
NC Rural Center

"Doing economic development differently" means:

Place-*rooted* organizations

mobilizing the *full range of assets*

to build *prosperous and inclusive regions*

Challenges

- It is hard to do this all alone as one organization
- It is hard to pull off in – or by – just one community
- Issues, assets, challenges, opportunities and economies ***ALL*** cross geographic boundaries
- But…there is no "government of a region"
- The perception still prevails that the "job" of development is to recruit businesses from outside – rather than build prosperity from within.

That's why…



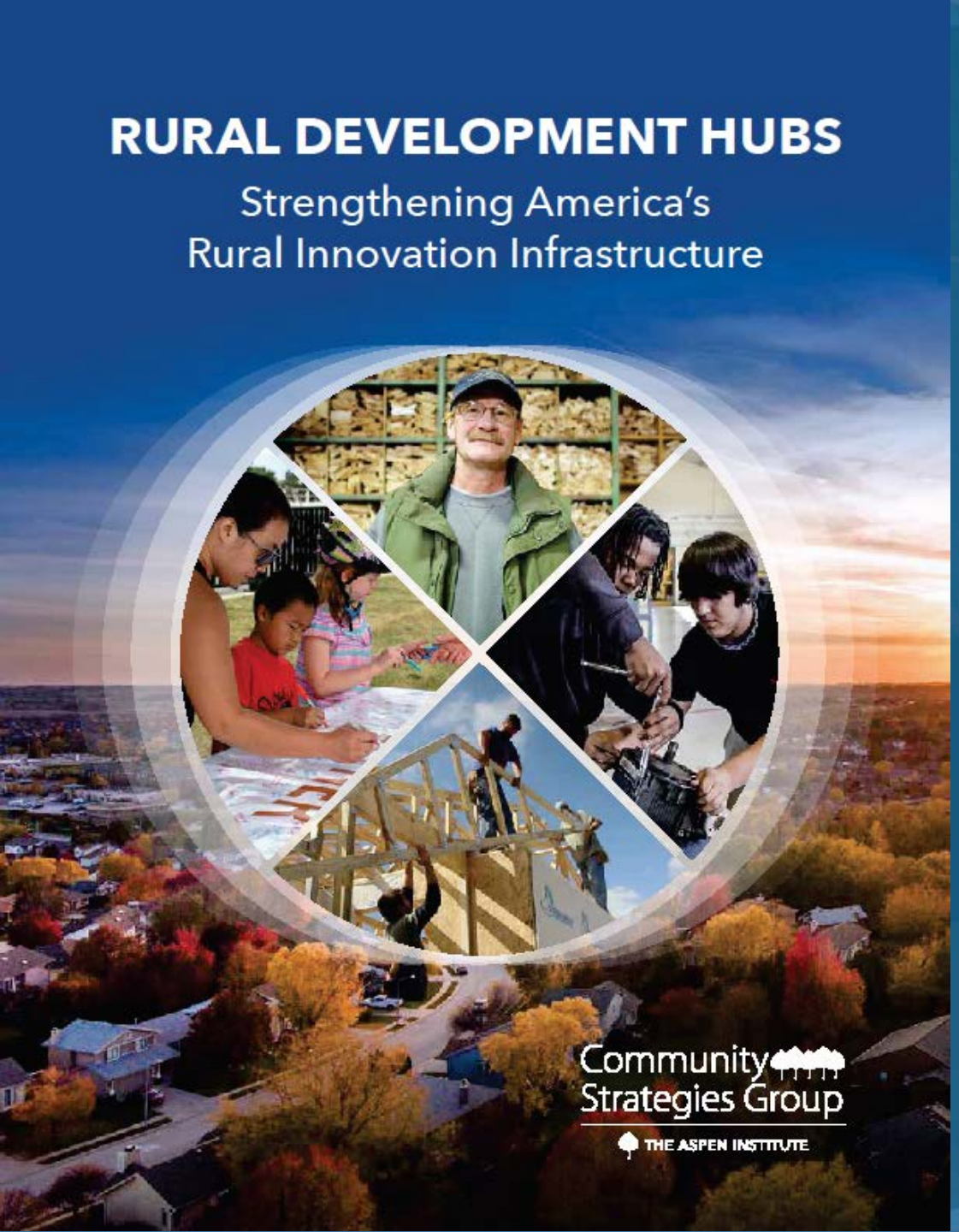
Success at addressing shared challenges and opportunities in ***rural*** regions requires:

Collaboration!

Collaboration is an **essential "capacity"** that needs strengthening in rural places all across our nation.

OBJECTIVE 3

Explore a “new breed” of regional actors
– Rural Development Hubs –
that are helping regions “do economic development differently”
and ***work together*** for better results



A Rural Development Hub is
a place-rooted organization
working hand-in-glove
with people and organizations
within and across a region
to build inclusive wealth,
increase local capacity,
and create opportunities for
better livelihoods, health and well-being.

Rural Development Hubs: Our Research



- Interviewed leaders in 43 Hubs across the country – representative of varying geography, types of organizations, populations.
- Note: Hubs are not any one kind of organization:
  - CDFIs and CDCUs
  - Community Action Agencies
  - Community Foundations – and other kinds of foundations (Family, Health Legacy, Regional)
  - Statewide rural organizations
  - Community colleges
  - Social enterprises/collaboratives
  - Unicorn regional organizations
- Asked them how they thought about their work, what challenged them and what would help them do more and better.

What sets Rural Development Hubs Apart?

The Gritty Dozen

1. Think and work "Region."
2. Assemble the region for discovery and dialogue.
3. Are of their region, know their region, and build trust in their region.
4. Take the long view.



When you look at how a region functions, these imaginary lines of cities and counties don't mean a lot in terms of economic development and how people are able to better themselves.

Mike Clayborne

CREATE Foundation

Northeast Mississippi

What sets Rural Development Hubs Apart?
The Gritty Dozen



5. Bridge issues and silos.

6. Analyze at the systems level, and intentionally address gaps in the system.

7. Collaborate as an essential way of being and doing.

8. Create structures, products and tools that foster collaborative doing.

In a rural place, there aren't enough resources to go it alone…
The model for collaboration
that is essential to rural America
is the church potluck supper.
Everyone brings what they can
to the table and you end up with
more than you need to get your job done.

John Molinaro
Appalachian Partnership, Inc.
Athens, Ohio

What sets Rural Development Hubs Apart?
The Gritty Dozen

9. Translate, span and integrate action between local and national actors.

10. Flex, innovate and become what they need to become to get the job done.

11. Take and tolerate risk.

12. Hold themselves accountable to the *whole* community.

We are accountable to
the people whom we serve
and to our investors.
One thing we have going for us is
we have the trust of the community.
If we should ever lose that trust,
we are going to be out of the business.
For us, that is very key.

Jennie Stephens
Center for Heirs' Property Preservation
South Carolina

Why aren't there stronger – and *more* – Rural Development Hubs?

1. **No** consistent business model or **blueprint** for Hubs. Sustaining one is **hard**, creative work.
2. Hubs need entrepreneurial, cross-discipline, systems-savvy, innovative **leaders** committed to a rural region over the long term. Where's the recruitment, training and sustaining program for this?
3. Rural communities and leaders that might build Hubs are **isolated** from "what is possible."
4. Some rural communities **resist change**.
5. Current and historic racism, discrimination, poverty and power **inequity** impede Hub development.
6. **Funding** for Hub organizations, leaders and innovations is restricted and scarce.
7. **Reduced federal** funding streams have strapped local government, civic institutions and action.

OBJECTIVE 4

Detail ways to strengthen regional Hub action.

10 Routes to a Stronger Rural Development Ecosystem

Shift Mindsets	Construct or Revise Systems and Policies	Build Capacity
1. Understand this Truth: Addressing equity nationally requires investments in rural America. 2. Increase America's rural cultural competency. 3. Trust the know-what and know-how of Rural Development Hubs. 4. Reimagine what "impact" means in rural contexts.	5. Detect and eradicate government systems and structures that disadvantage rural America. 6. Design policies and programs with rural implementation in mind.	7. Support analysis and action at the regional level. 8. Boost peer-learning for Hub staff and board leaders. 9. Create pipelines and marketplaces that connect investors to America's rural development. 10. Structure investments and initiatives to strengthen and sustain system-changing organizations.

BONUS: Create a consensus vision and framework for rural community and economic development.

So…
what are you thinking?

Take Action!

Read this RD Hubs Report.
Share it with friends and colleagues!

Work with Hubs where you live and work. Or find ways to be more “Hub-by” in your region

Champion RD Hubs as part of the development ecosystem. Advocate for the things that will strengthen them!

Thank You.

Janet Topolsky

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For the Hubs report: as.pn/ruralhubs

