

**Responding to Challenges Facing Rural Governments**  
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*An Overview of Rural Governance Issues*  
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The task and the challenge for this morning is to provide an overview of rural governance issues facing the country in the future, both near term and long term, to offer suggestions for research agendas, to offer options for policy solutions to those problems and challenges.

A few years ago in the book *In Search of Excellence* (Peters and Waterman, 1982) addressed the question of what made great companies great. One of their points was that the great companies divided their big tasks into small chunks and took each task one at a time -- as they noted you can eat an elephant if you chunk it and do it one bite at a time. The elephant that I see (translated as PICS -- problems, issues, or concerns facing local governments in rural areas) includes several basic features. This is truly a crystal ball approach and we all know that crystal ball technology has not advanced as rapidly as other forms of technology.

The first basic challenge in rural governance is to change the dominant governance paradigm from the "expert/official" model of governance to a paradigm of engagement. We are living in a period described as one of disconnect, distrust, and complaint. We govern without a game plan and without a process of community engagement. Putnam in *Bowling Alone* and many others make strong and compelling arguments that we must rebuild our civic capital.

Another basic challenge is to overcome the structural and geopolitical fragmentation that characterizes our governance paradigm. Fragmentation of local governments is quite evident and we must work to build greater levels of intergovernmental cooperation and to facilitate the consolidation of governments. We need to go back and carefully re-examine the issues of economies of scale and the capacity of small governments to deliver services in a cost effective and efficient manner. We will face a major clash of cultures and values where we have been taught that small governments that are close to the people are better—it is the American way. We must move beyond turf wars, fiefdoms, and conflicts and move toward cooperative and fully integrated communities that function effectively on a regional basis. We will continue to deal with the impacts of devolution and mandates especially un-funded mandates.

Infrastructure deficiencies and the tremendous cost to repair infrastructure will continue to challenge both rural and urban areas. In a recent study released by the American Society of Civil Engineers, America's public infrastructure received an overall grade of D+ with a total investment of \$1.3 Trillion needed to fix the problem during the next five years. Other infrastructure issues facing rural areas include highway access through surface transportation where the cost of building new roads for fewer residents is no longer cost effective. Electronic communication is another infrastructure issue where rural areas are being left behind, especially access to the World Wide Web and email because rural areas do not have good on ramps (local ISPs) for access to the information super highway.

Human resources issues are increasingly important to rural areas. One area in particular is public safety where there is a diminishing pool of volunteers for local fire and emergency medical service squads. Many local governments face a very high cost to go to paid squads or partially paid squads. These issues are often very emotional in that they go to the very heart of rural community traditions where the volunteer squads are a way of life and a powerful political force.

Fiscal capacity is another major issue. Many rural communities face a rising tide of citizen expectations and a diminishing resource base for funding new initiatives. Further complicating the fiscal issues are the questions of tax capacity and tax effort that stir considerable controversy in state legislatures. We need to return to a careful examination of the tax capacity and tax effort issues that were popular nearly two decades ago in our discipline.

Land use will continue to be a major issue for rural communities and especially for those on the fringe of urban or metropolitan areas. Sprawl is the word of choice for debate today. It is a concept with many meanings, but in the past six to ten months the term has found a number of supporters who contend that sprawl might be good because it enables more people to share in a piece of the American dream -- owning a house in suburbia. Whatever the specific merits or negatives associated with sprawl, **development patterns are issues** that planners and residents must address. The issues of subdivision regulations, density, and the redevelopment of property in and around the urban areas will continue to have a significant impact upon rural communities within the **metro shed**. Protecting agricultural land, the environment—in particular watersheds - - and protecting open space are social issues that will continue to confront local leaders and communities throughout the country. Rural governments in the exurbia rings will be at the center of the land use storm.

Leadership is another important issue facing local governments. We must move beyond traditional concepts of leadership that emphasize positional leadership where a person or the “expert/official” is in charge. Those who occupy positional leadership roles must learn to engage, share, and facilitate a process of community engagement. Citizens must learn the mechanics and the substance of participation, i.e. citizens must learn to participate. Perhaps our greatest challenge is to create or teach a new civic ethos and create a new civic culture that emphasizes and values sustained participation not sporadic and episodic participation. The real test of the change in the civic culture will be that of sustainability in the engagement process.

Economic issues associated with the changing face of the global economy will continue to have a tremendous and unequal impact on rural areas. Not only will the shift toward corporate farming and mega-farms continue, but many of the small factories that form the economic backbone of many rural communities will be closed. The fallout of changing production patterns and places of production resulting from NAFTA, industry consolidations and mergers, and other off-shore relocations will take the economic heart out of many rural communities.

The future of rural communities is not bleak, but it will be characterized by significant change. Standing at the center of the change process will be local governments. The question that we must ponder is: How do we build the capacity of local governments and local “leaders” to guide their communities through the changes? We can fight the classic holding action and try to reserve the romantic notion of the Norman Rockwell rural community, or we can lead the transformation to help communities find a new future. Policies and programs to create and preserve the classic

museum pieces of rural life will only delay the inevitable and make the transition more difficult. I do not profess to know what that future will be, but I am quiet sure that is rushing toward us.