

Rural Livability and the Future of Community Well-Being

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What comes to mind when you think of the phrase a ***positive business climate?***



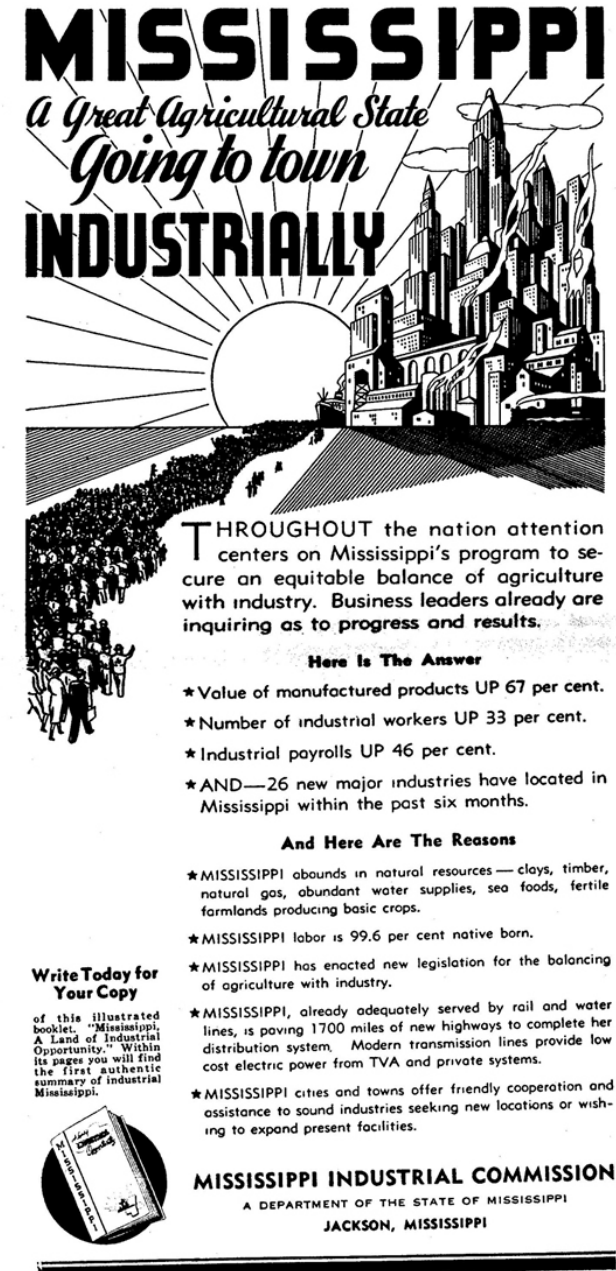
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Mississippi Balance Agriculture with Industry (BAWI) policies of the Great Depression era (1933)

Established the idea of a positive business climate around ideas of:

- Cheap labor
- Cheap land
- Limited regulation
- Limited taxation

First shots fired in the “new war between the states”.



MISSISSIPPI
A Great Agricultural State
Going to town
INDUSTRIALLY

THROUGHOUT the nation attention centers on Mississippi's program to secure an equitable balance of agriculture with industry. Business leaders already are inquiring as to progress and results.

Here is The Answer

- ★ Value of manufactured products UP 67 per cent.
- ★ Number of industrial workers UP 33 per cent.
- ★ Industrial payrolls UP 46 per cent.
- ★ AND—26 new major industries have located in Mississippi within the past six months.

And Here Are The Reasons

- ★ MISSISSIPPI abounds in natural resources — clays, timber, natural gas, abundant water supplies, sea foods, fertile farmlands producing basic crops.
- ★ MISSISSIPPI labor is 99.6 per cent native born.
- ★ MISSISSIPPI has enacted new legislation for the balancing of agriculture with industry.
- ★ MISSISSIPPI, already adequately served by rail and water lines, is paving 1700 miles of new highways to complete her distribution system. Modern transmission lines provide low cost electric power from TVA and private systems.
- ★ MISSISSIPPI cities and towns offer friendly cooperation and assistance to sound industries seeking new locations or wishing to expand present facilities.

Write Today for Your Copy

of this illustrated booklet, "Mississippi, A Land of Industrial Opportunity." Within its pages you will find the first authentic summary of industrial Mississippi.

MISSISSIPPI INDUSTRIAL COMMISSION
A DEPARTMENT OF THE STATE OF MISSISSIPPI
JACKSON, MISSISSIPPI



Florida Economic Development Organization:

Florida consistently ranks among the best states for business, thanks to **its pro-business state tax policies, competitive cost of doing business and streamlined regulatory environment.** Florida is working on legislative, fiscal and marketplace initiatives such as **insurance tort reform, targeted industry incentives** and many more. Florida is also a **right-to-work** state. Businesses thrive in this **low-tax environment**, and employees enjoy the benefit of **no personal income tax.**

Tennessee Economic Development Organization :

Tennessee is proud to be a **right-to-work state** with **no personal income tax on wages.** Our state and **local tax burdens are among the lowest in the country,** and our state budget operates with a healthy surplus rather than a deficit. Successful overhaul of our **tort and workers compensation laws.**

Idaho Department of Commerce:

In Idaho, **we keep our costs and taxes low,** and **we remove the burdensome regulations** that get in the way of success.

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SOUTH DAKOTA

GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

TAKING CARE OF BUSINESS



We're fiscally responsible

State pension is 100 percent funded

We don't have a lot of taxes

Second best tax climate in the nation

We're hard workers

The Midwest work ethic is alive and well

Businesses love us

Second most business friendly state

Our workforce is growing

South Dakota is a net in-migration state

We're easy to get to

South Dakota is the geographic center of the United States

We don't like red tape any more than you do

We get out of the way so you can succeed



State Approves Incentives for Solar Farm, Cheese Plant Expansion, and Local Business Growth

South Dakota's Board of Economic Development has approved nearly \$3 million in tax relief for a 585-acre solar farm in McCook County, a \$10 million state loan to expand Bel Brands' Brookings cheese plant, and a grant to Ally Dakota Development.

By Cristal Blue | September 17, 2025 12:28 pm



Data center official says other states offer better incentives than SD

State Senate rejected sales-tax refund bill during legislative session

BY: JOSHUA HAIAR - JUNE 16, 2025 6:14 PM

SOUTH DAKOTA SEARCHLIGHT



1st Wave Industrial Recruitment

- Big firms, predominately manufacturers, are the focus of attention. (What is good for General Motors is good for America.)
- Tax incentives. (Throw money at businesses to invest in your state.)
- Public dollars invested in infrastructure



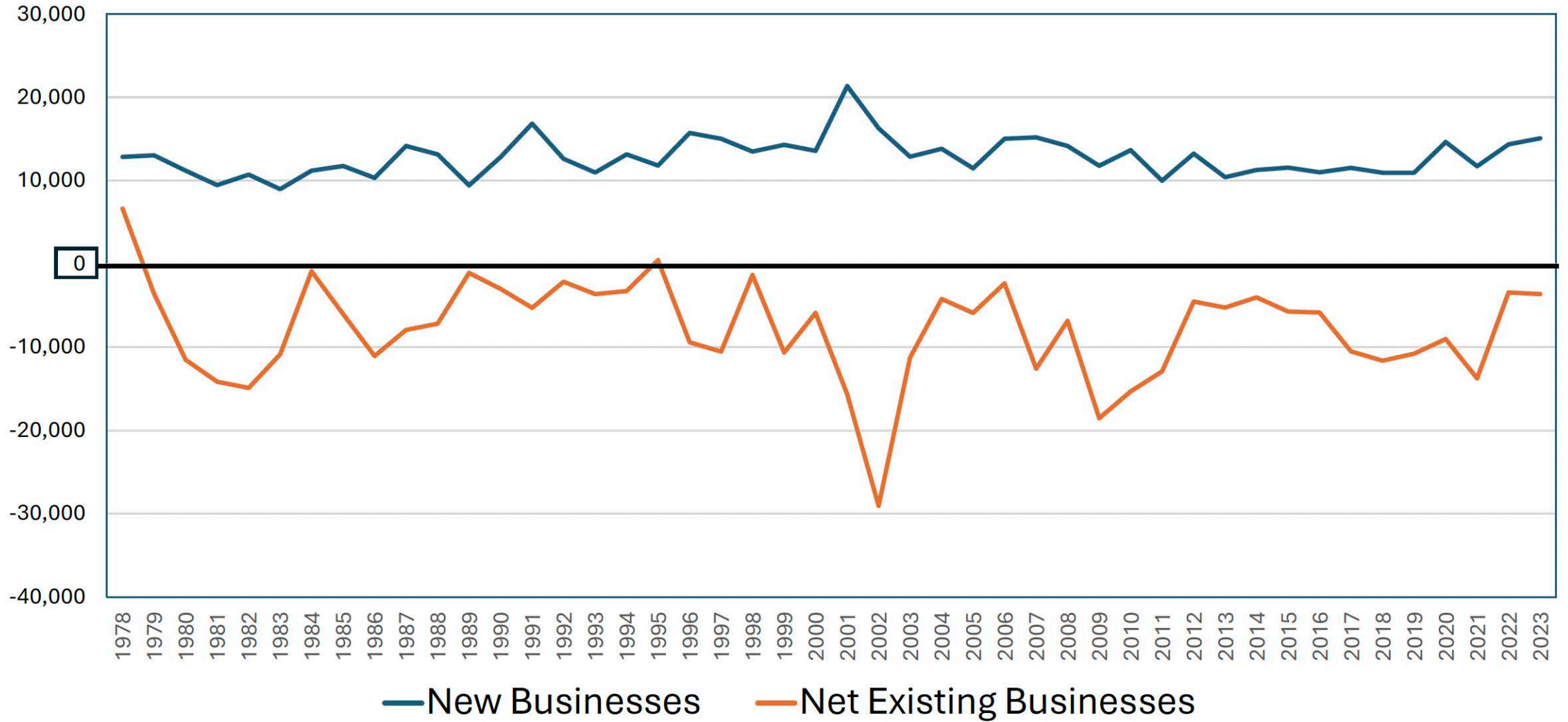
Starting in the 1980s several things came together:

- Recruitment proved to be exceedingly frustrating and a waste of time, energy and limited resources.
- Communities realized they are not positioned to play the “incentives game”, leave that to the state government.
- Realization that job growth came from new business formation.



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Job Growth South Dakota



Source: Business Dynamic Statistics



2nd Wave: Small Business and Entrepreneurship

Focus on the businesses that are already within the community and new business formation, or entrepreneurship.

- Technical assistance for startups
- Incubators and accelerators
- Access to capital for small businesses
- Networking & mentoring programs
- Business retention and expansion programs
- Place focused efforts such as the Mainstreet Program



Starting in the late 1990s and into the 2000s two things came together:

- Efforts seemed disjointed and scattered, lack of strategic focus.
- The EDA embracement of Micheal Porter's notion of economic clusters.



3nd Wave: Public-Private Partnerships, focus on “clusters”.

- Focus limited resources on existing industrial “clusters” with an eye toward new-emerging “clusters” (be strategic).
- Networking is key to dynamic and vibrant clusters, to facilitate such networking form public-private partnerships.
- Invest in public institutions that can support the cluster.
- Regional approaches that require cooperation across many communities.



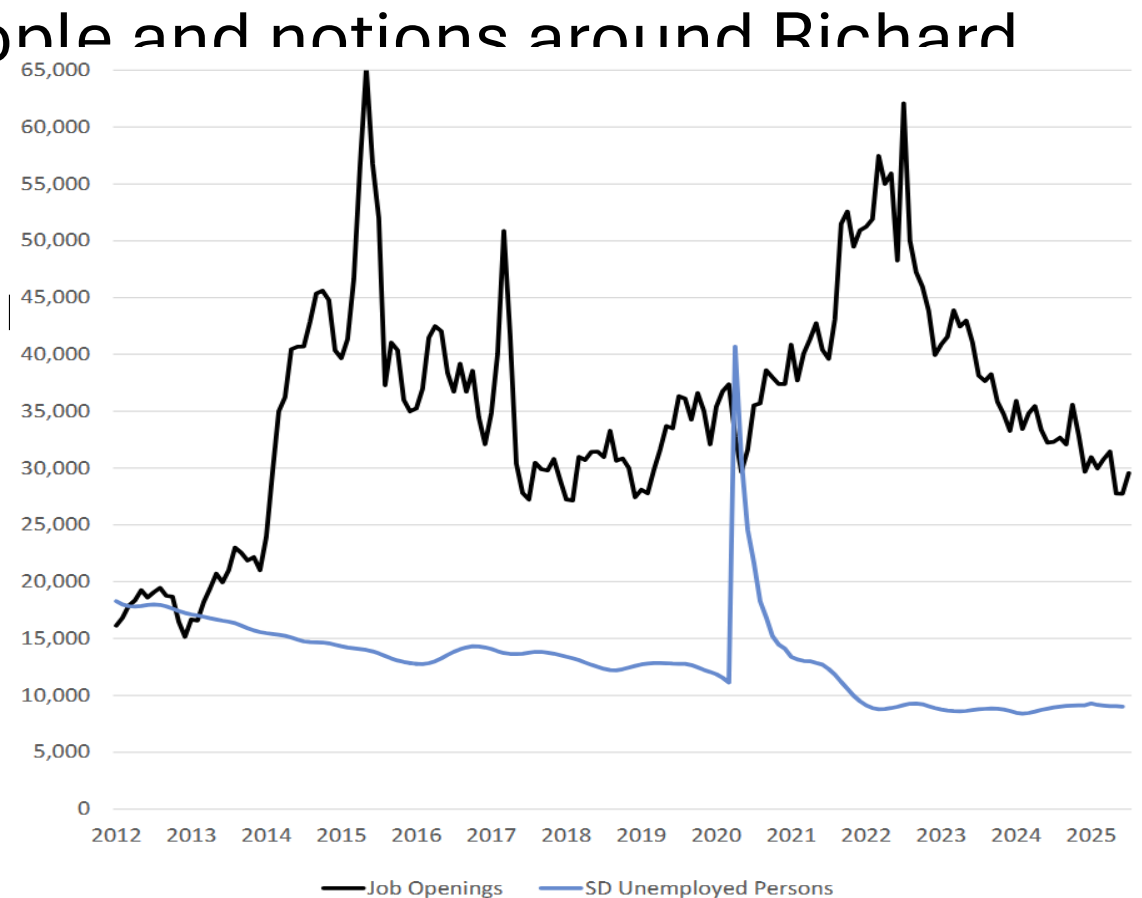
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Starting in the late 2000s through today several additional factors became prominent:

- Innovation comes from people and notions around Richard Florida's "Creative Class".
- People are "voting with their feet".
- Structural labor shortages.

"Why are we trying to create more jobs when we can't fill the ones we have?"

Rural Wisconsin resident
at a community meeting.



“voting with their feet”

Historically the data supported the idea that “people follow jobs”. Focus on creating employment opportunities and people will come.

Increasingly the data is suggesting that “jobs follow people”.

“[f]ind an area that you want to live, then start your business.”

Rural small manufacturer (Halstead and Deller 1997)

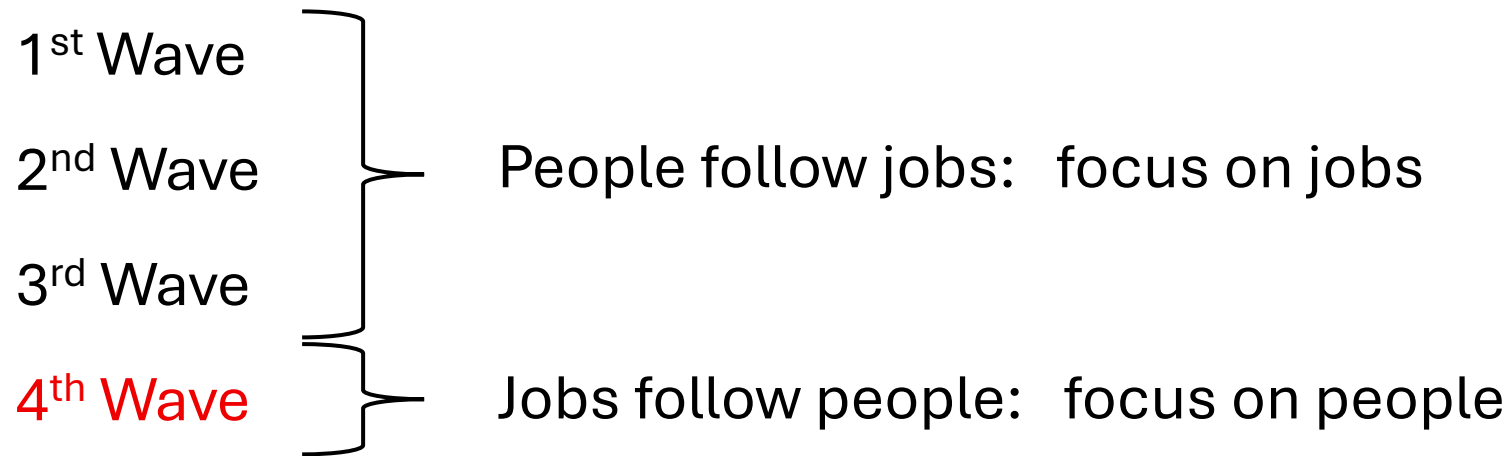
Quality of life, or livability, is becoming a focal point of community economic development efforts.



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Are communities shifting from a “jobs, jobs, jobs” view of economic development to a “people, people, people” view?

Realization that “jobs follow people” may have flipped?



Why would people want to live and work here and perhaps start their business here?



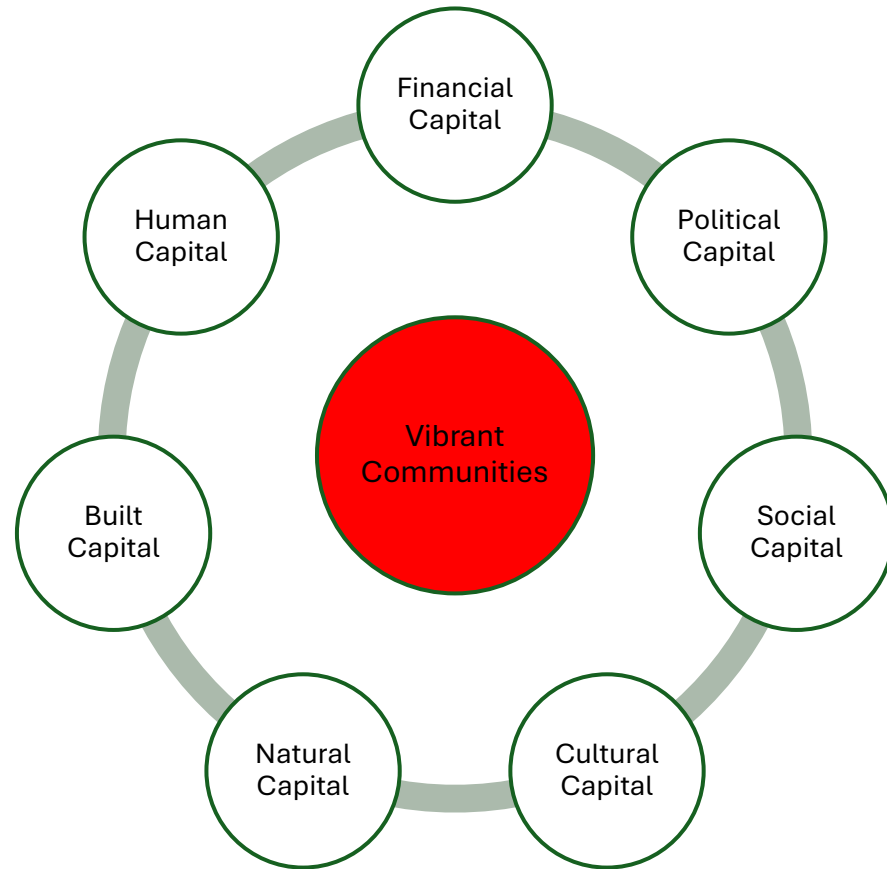
Planners talk in terms of **Placemaking**, which in the context of economic development, refers to the intentional process of creating, enhancing, and sustaining public spaces and built environments in ways that improve quality of life, attract talent, foster community identity, and stimulate economic activity.

Planners like to talk in terms of “walkability” and “mixed use developments”, and “inviting public spaces....

But the challenge is much of the work by planners is located in larger urban centers. Do the “lessons learned” from urban translate into rural and smaller communities?



Community Capitals Approach

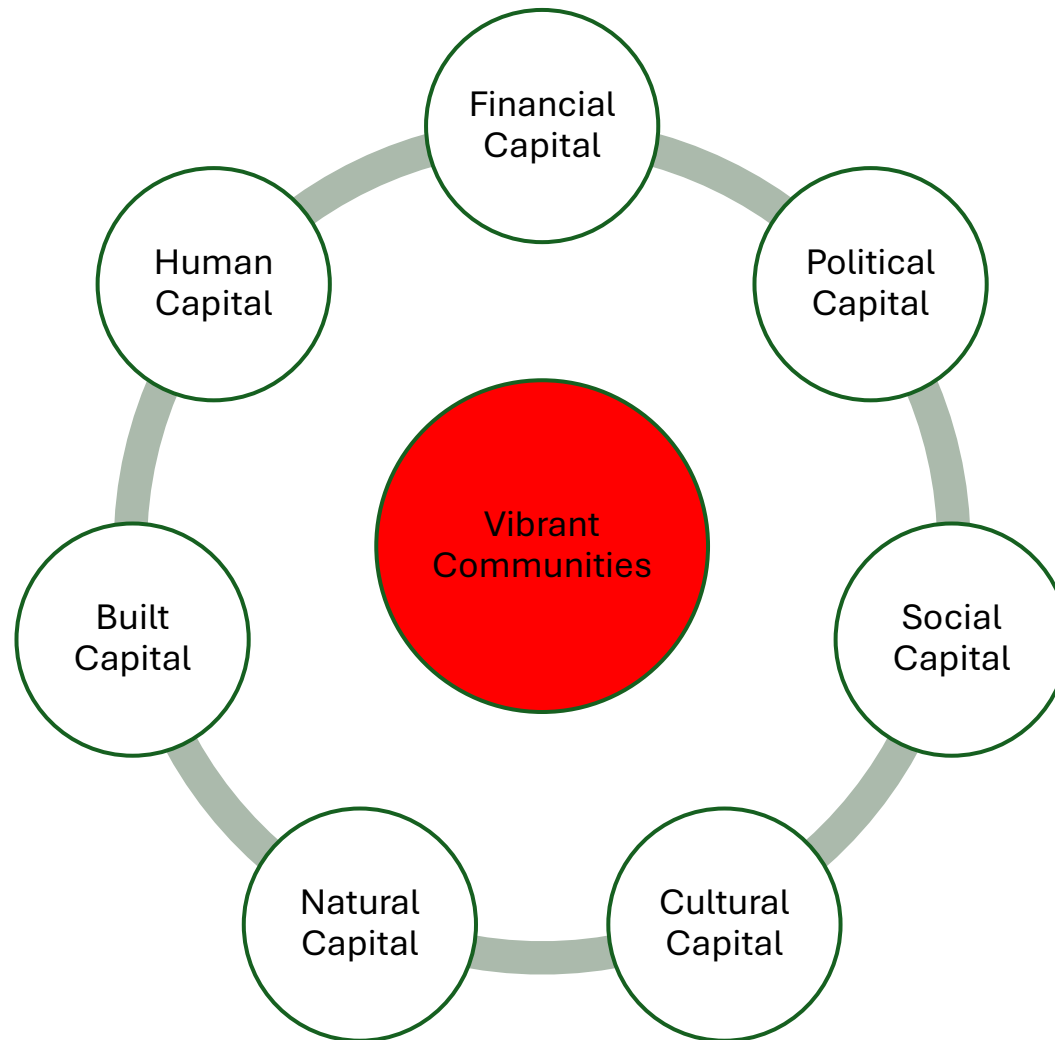


The Community Capitals approach is a systems thinking approach to organizing community economic development strategies.

The set of strategies are not necessarily different, it is an alternative way to thinking about how to organize one's thinking.



Community Capitals Approach



Vibrant Communities:

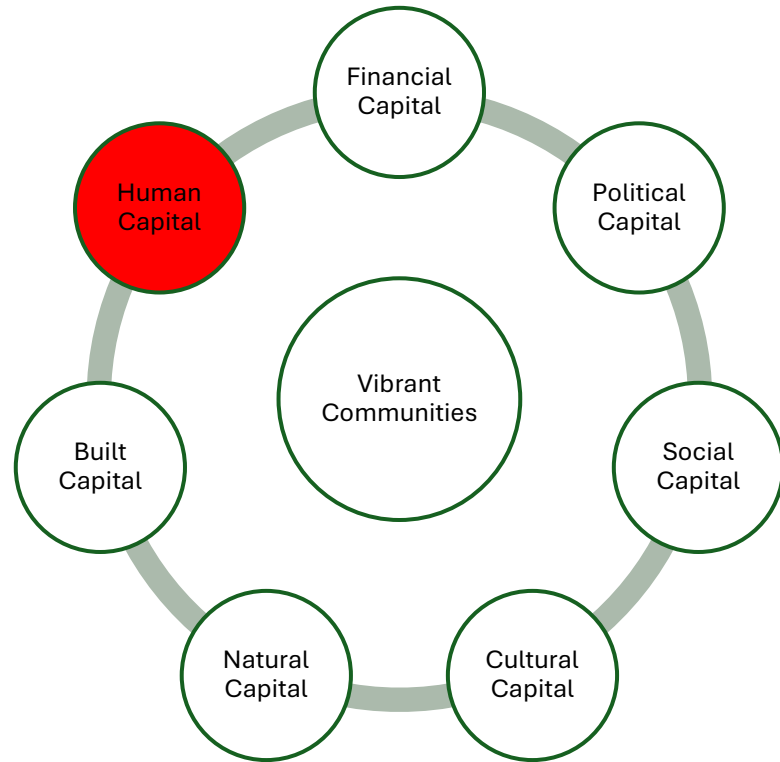
- Resilient
- Entrepreneurial
- Innovative
- Forward not backward looking



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Community Capitals Approach

The initial thought is investment in K-12 education. That is vital but too narrow.

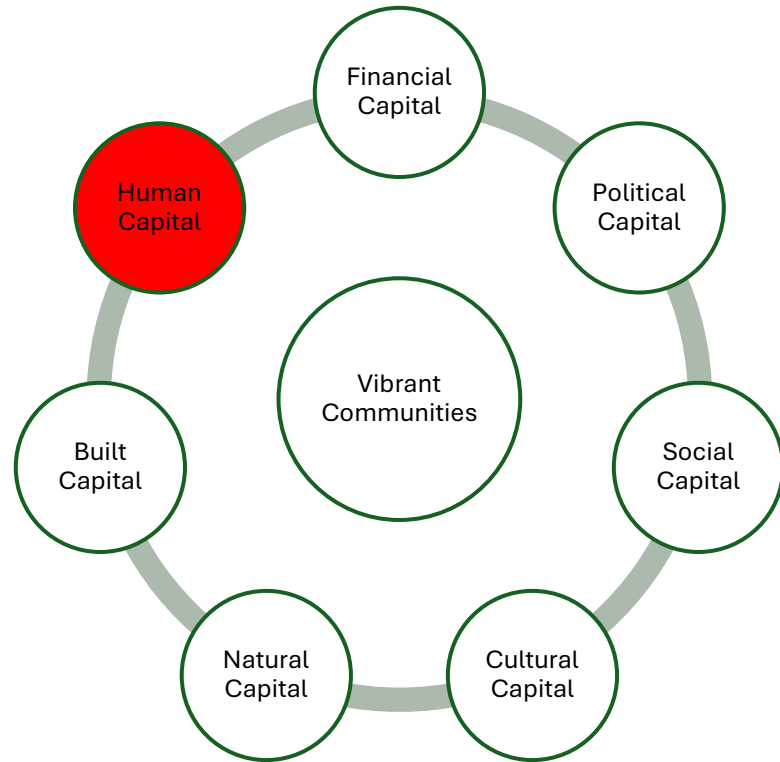


1. Invest in early childhood education. Pre-K education is more than childcare services.
2. High school must have a balance between college-prep and training for the trades.
3. Continuing adult educational opportunities to facilitate further professional development and retraining for those looking to change occupations.
4. Business management training for small business owners and potential entrepreneurs. This can be informal training offered by through a chamber of commerce, workshops by local universities or technical schools. Most business owners do not have the time for extensive training, must be short, focused.
5. Mentoring opportunities for newer business owners, young professionals.
6. Broadband investment to allow for continuing learning.
7. Boomerang migration.



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Community Capitals Approach



Belief in education's role in community drove \$33 million gift, donor says

Mitchell man talks about his motivation for donating to local schools and university

BY: JOSHUA HAIAR - SEPTEMBER 21, 2025 10:49 AM

SOUTH DAKOTA SEARCHLIGHT

One of South Dakota's wealthiest businessmen says an aspect of economic development often gets overlooked – great public schools.

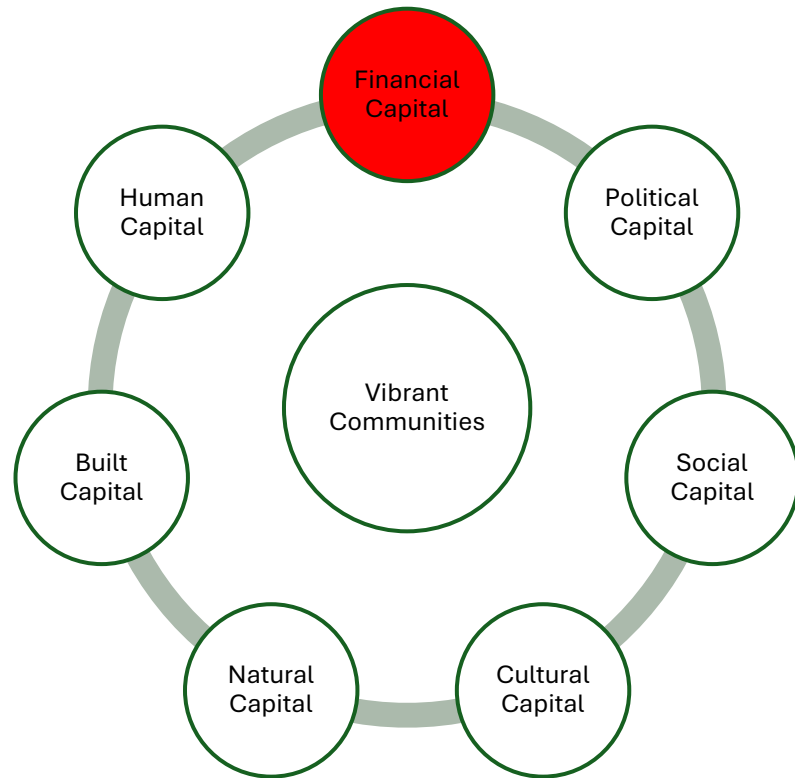
“If families know their children can get a top-quality education in Mitchell, that makes us more attractive than bigger, busier places,” said Roger Musick, who started and sold the telecommunications and software company, Innovative Systems.



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Community Capitals Approach

The initial thought might be to jump to “its all the banker’s fault” type thinking and focus too narrowly on local banks.



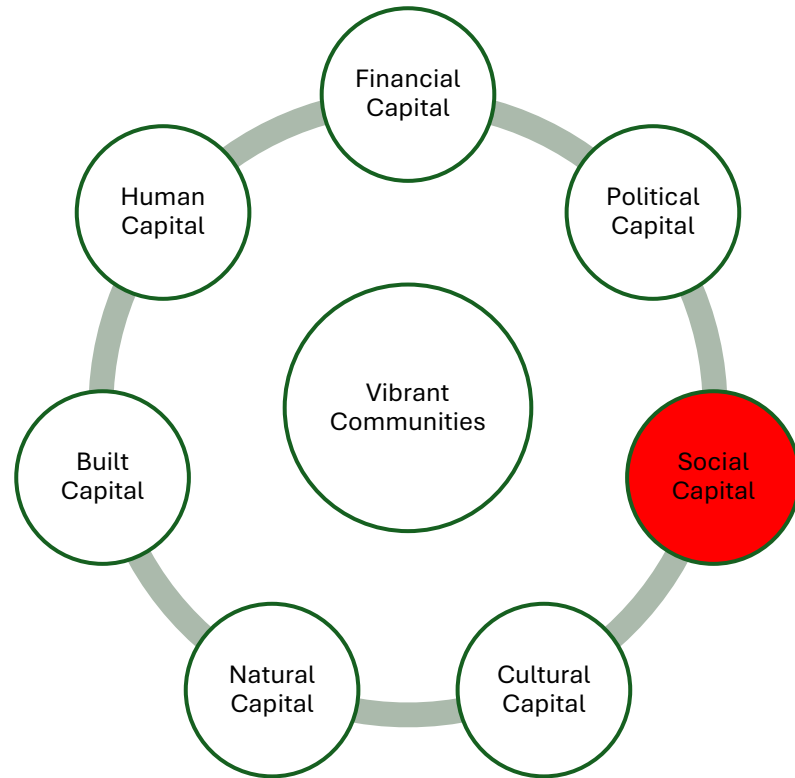
- Ensure bankers actively involved in community economic development efforts
- Creation of a local credit union if local financial institutions are unwilling to support community efforts.
- Community supported revolving loan fund for local businesses to help small businesses build a foundation. Often local businesses need access to small loans that are not suitable for banks.
- Network of local “angel investors” to help local businesses. Or more generally encourage investment of private funds locally through formation of capital groups.
- Networked into state/federal financing programs. Make sure that local businesses are aware of these programs and ensure that local bankers are actively monitoring and involved in these programs.
- Housing assistant programs.
- Utilize state/federal programs to help offset costs of community capital improvement investments (public infrastructure/capital).



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Community Capitals Approach

The creation of networks, building levels of trust, and norms of behavior.

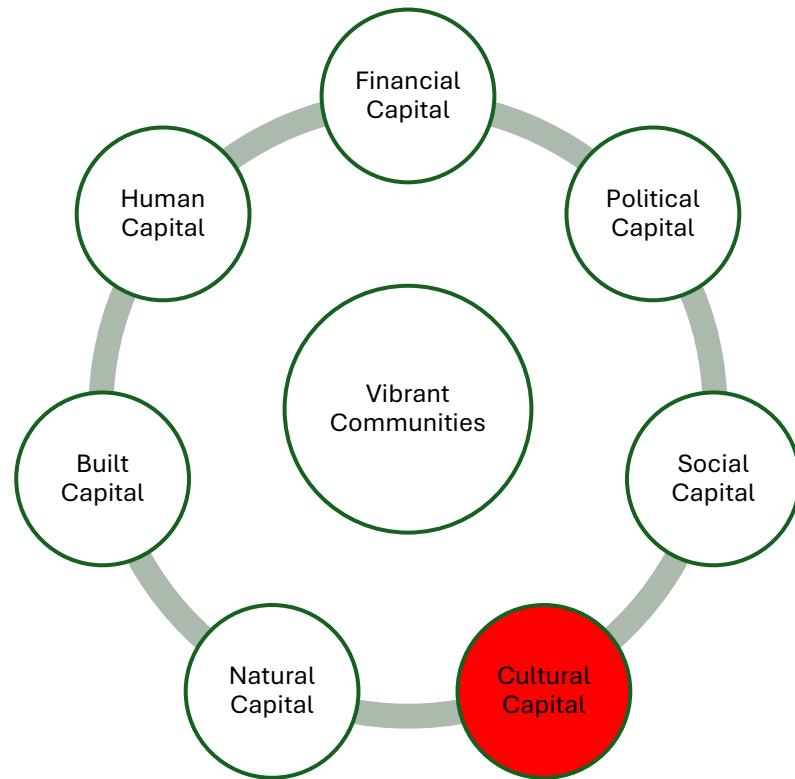


- Create networking opportunities for small business owners and those interested in starting a business.
- Encourage community engagement of social organizations, including religious congregations.
- Be open and receptive to newcomers to the community.
- Encourage newcomers to become active in the community.
- Encourage volunteerism across all members of the community.
- Encourage active participation in local government activities.
- Encourage diversity in networks (bridging social capital).
- Organize youth and adult sport leagues.
- Celebrate the accomplishments of non-profits.
- Use the cooperative business model to provide services that for-profit businesses do not provide.
- Organize civic activities like a farmers' market, arts fairs, community concerts.
- Encourage community youth to be active in community organizations including local government.



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Community Capitals Approach



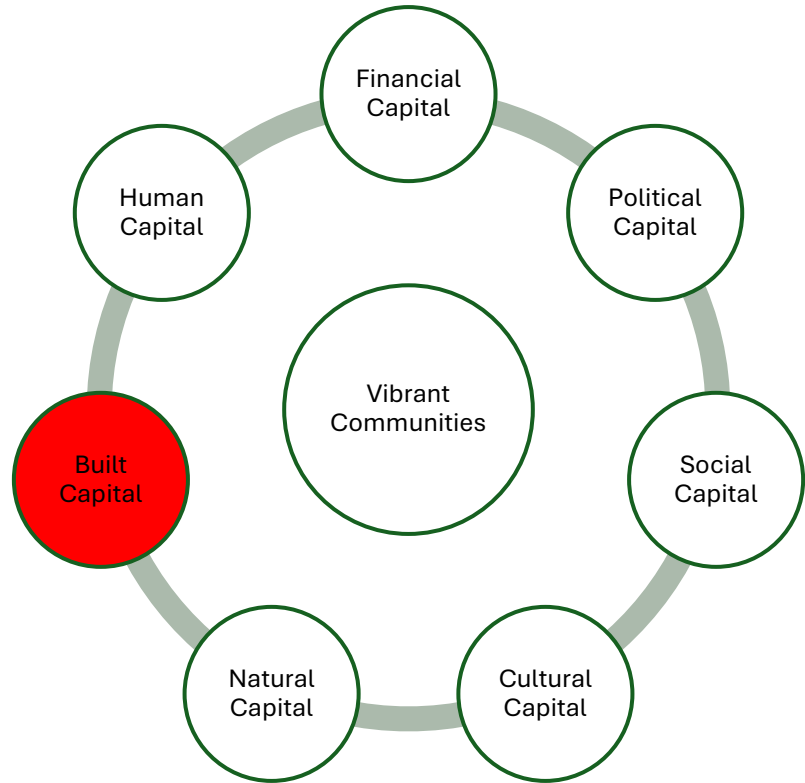
Celebrate the historical and cultural traditions of the community.

- Celebrate the history of the community.
- Strive toward embracing diversity and consider ethnic celebrations such as Latinx Appreciation Days.
- Organize cultural events such as arts fairs, farmers' markets and "music in the park"
- Sponsor local performing arts groups.
- Celebrate entrepreneurial activity.
- Support after school clubs and activities.
- Support and celebrate locally owned and operated businesses.
- Encourage historic preservation.



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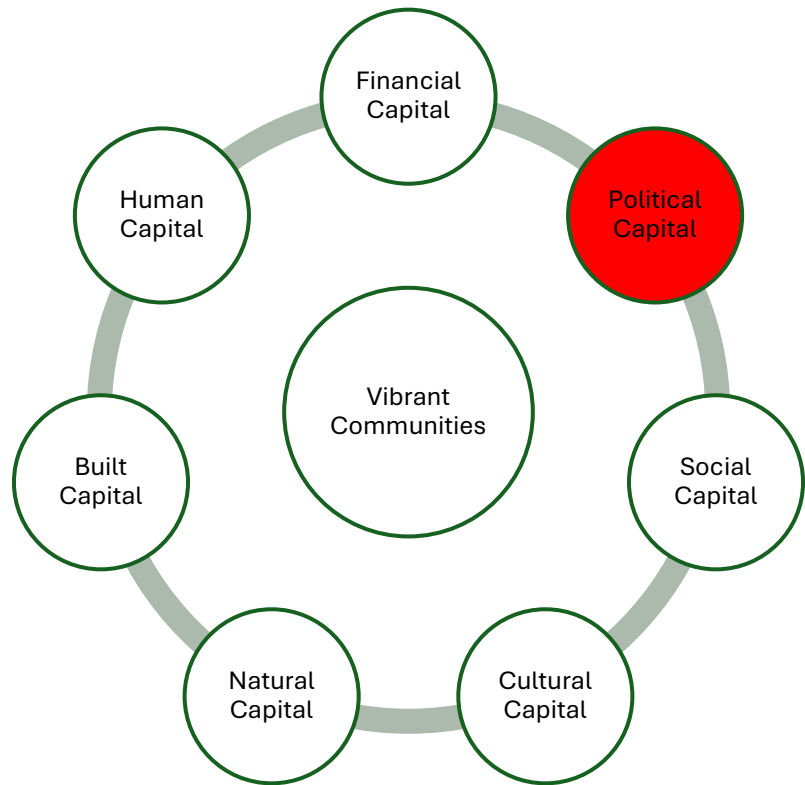
Built capital is generally viewed as the public capital, or public infrastructure, that is necessary for a functioning economy.

- Have a fully funded capital improvement plan to maintain public infrastructure.
- Avoid the temptation to cut back on maintenance of public infrastructure to reduce government expenditure. Deferred or delayed maintenance results in lower quality services and higher long-term costs.
- Invest in community beautification activities (e.g., streetscaping)
- Invest in broadband (wireless)
- Invest in recreational activities such as parks, bike-walking paths, public tennis courts and/or ice rinks.
- Encourage historic preservation to celebrate the culture of the community.
- Low cost housing improvement loans



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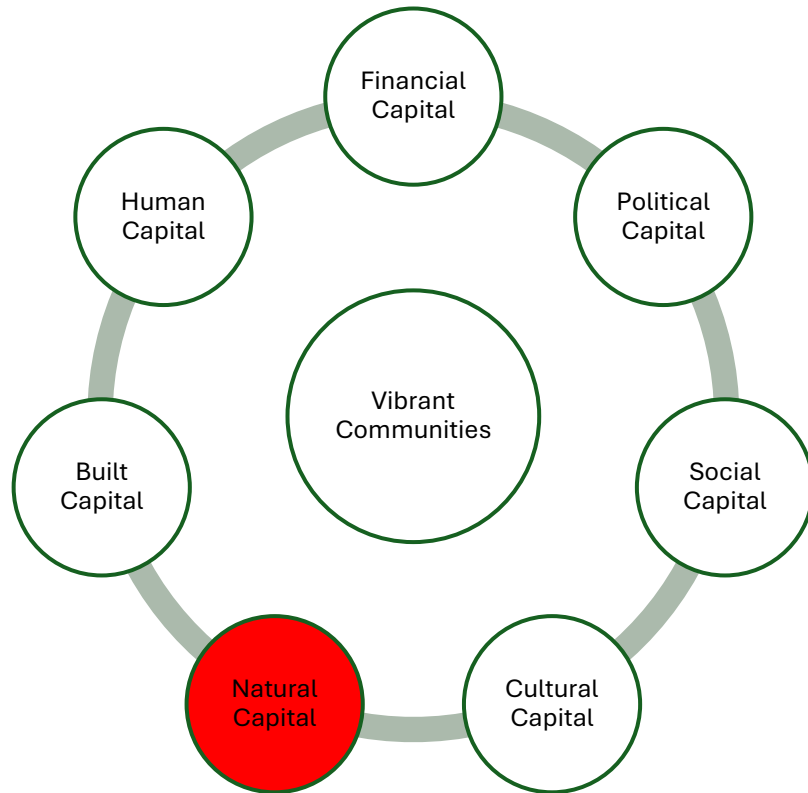
Political capital is generally viewed as the conceptualized accumulation of resources and power built through relationships, trust, goodwill, and influence between *politicians* or parties and other stakeholders, such as constituents. This is both internal (bonding) and external (bridging) to the community.

- Encourage younger residents to run for public office.
- Enhance levels of volunteerism and the pool of informal leaders.
- Make regular connections with representative from higher units of government.
- Form multi-jurisdictional agreements to improve services.
- Use social media to better connect local government with local citizens.
- Depersonalize disagreements.
- Regularly survey (interview, focus groups) residents and local businesses to determine the *effectiveness* of local policies, services.



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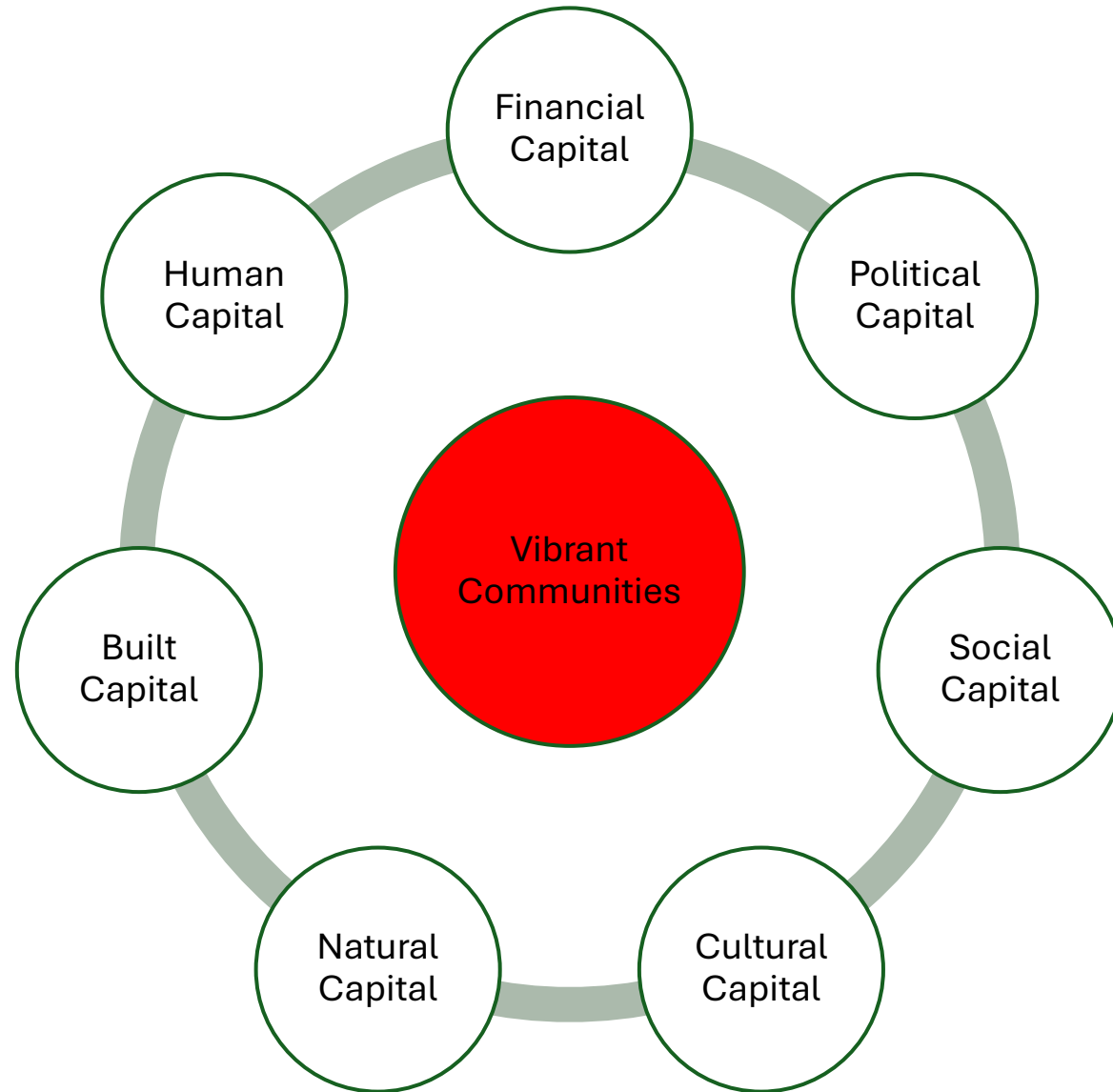


Natural capital is those assets that abide in a location, including resources (land), amenities and natural beauty. Increasingly, an abundance of natural amenities creates a significant comparative advantage for communities.

- Adopt comprehensive planning to protect important natural resources
- Invest in non-extractive uses of natural resource such as river walks, bike-walking trails, parks.
- Set aside land for future developments
- Work to ensure that extractive uses (e.g., farming, forestry, mining) of natural resources do not conflict with non-extractive uses. (Seek balances or win-win as opposed to one use at the expense of another.)
- Promote non-profits and volunteer organizations to manage, invest, and foster natural amenities.



Community economic development efforts should be:



- Bottom-up involving a wide range of citizen involvement
- Take a long-term view and avoid looking for the “magic bullet”
- Strategies can range from the complex (e.g., creating a credit union) to the simplistic (e.g., hosting music in the park events)
- Take a pro-active approach and avoid “putting out fires”

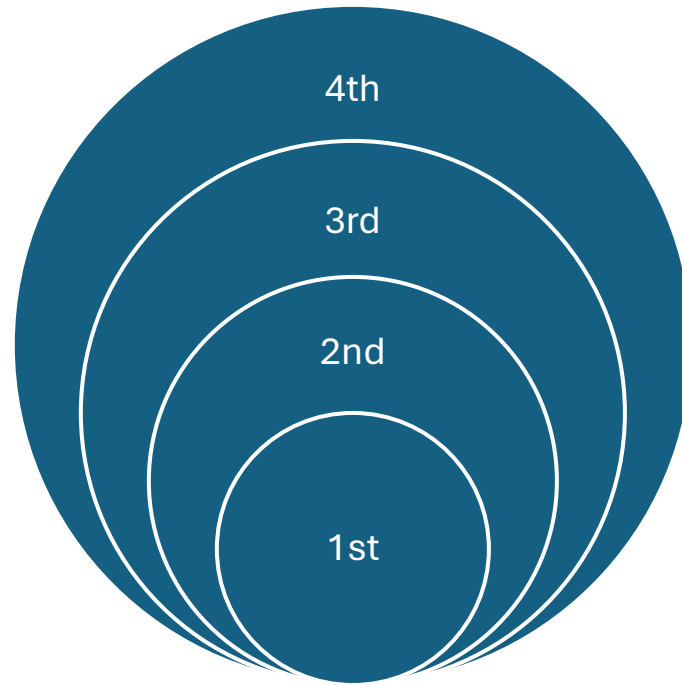


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Do the strategies that flow from these different “waves” of thinking replace those that came before?

No, rather reorientation of our thinking and refocusing types of strategies considered.

One could think in terms of broadening our approaches.



Thank You!

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