AGRICULTURAL ECONOMICS

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# Cornhusker Economics

## Changing Rural Population: The Long View

| Market Report | Year Ago | 4 Wks Ago | 4-8-16 |
|---|---|---|---|
| **Livestock and Products, Weekly Average** | | | |
| Nebraska Slaughter Steers, 35-65% Choice, Live Weight. . . . . . . | 138.14 | 102.00 | 104.05 |
| Nebraska Feeder Steers, Med. & Large Frame, 550-600 lb. . . . . | 220.29 | 143.09 | 136.59 |
| Nebraska Feeder Steers, Med. & Large Frame 750-800 lb. . .. . | 200.83 | 141.27 | 129.65 |
| Choice Boxed Beef, 600-750 lb. Carcass. . . . . . . . . . . . . . | 219.22 | 184.72 | 187.03 |
| Western Corn Belt Base Hog Price Carcass, Negotiated . . . . . . . . . . . . . .. | 60.77 | 47.08 | 42.55 |
| Pork Carcass Cutout, 185 lb. Carcass 51-52% Lean. . . . . . . . . . . . . . . . . . . . | 81.94 | 72.17 | 72.92 |
| Slaughter Lambs, wooled and shorn, 135-165 lb. National. . . . . . . | 156.73 | 155.00 | 144.73 |
| National Carcass Lamb Cutout FOB. . . . . . . . . . . . . . . . . . . . . . . . . . | 357.69 | 354.49 | 352.66 |
| **Crops, Daily Spot Prices** | | | |
| Wheat, No. 1, H.W. Imperial, bu. . . . . . . . . . . . . . . . . . . . | 4.14 | 2.62 | 2.71 |
| Corn, No. 2, Yellow **Columbus**, bu. . . . . . . . . . . . . . . . | 3.52 | NA | 3.04 |
| Soybeans, No. 1, Yellow **Columbus,** bu. . . . . . . . . . . . . .. . . | 8.26 | NA | 9.06 |
| Grain Sorghum, No.2, Yellow Dorchester, cwt. . . . . . . . . . . . . . . . . | 5.93 | 4.55 | 4.67 |
| Oats, No. 2, Heavy Minneapolis, Mn, bu. . . . . . . . . . . . . . . | 2.60 | 2.62 | 2.91 |
| **Feed** | | | |
| Alfalfa, Large Square Bales, Good to Premium, RFV 160-185 Northeast Nebraska, ton. . . . . . . . . . . | 185.00 | 160.00 | 145.00 |
| Alfalfa, Large Rounds, Good Platte Valley, ton. . . . . . . . . . . . . . . . . | 75.00 | 68.75 | 67.50 |
| Grass Hay, Large Rounds, Good Nebraska, ton. . . . . . . . . . . . . . . .. . . . | 77.50 | 70.00 | 67.50 |
| Dried Distillers Grains, 10% Moisture Nebraska Average. . . . . . . . . . . . . . . . | 112.50 | 113.25 | 105.00 |
| Wet Distillers Grains, 65-70% Moisture Nebraska Average. . . . . . . . . . . . . . . . | 49.50 | 40.50 | NA |
| *** No Market** | | | |

If you frequent a small town coffee shop in Nebraska you will probably hear conversations about the price of farm commodities, speculation about the next local high school game and frustration linked to the declining rural population.

The first two topics seem to demand a little gossip and rumor but the last one, rural population change, can be supported with local, statewide and even national facts to make a more thoughtful discussion. Granted, this does not usually happen in the coffee shop. But rural community leaders, with a little bit of insight, can better understand the rural flow of people over time in an effort to more accurately position their community in the future.

In a recent article, "How Migration Impacts Rural America" (Smith, Winkler & Johnson, 2016) migration trends were documented both by age group and by decades, from the 1950's to the 2000's. Often today we think back to the 1950's as a golden age for rural development with lots of growth coming from the post-World War II boom. However, when you look closely at how people were moving into and out of rural areas across America during that decade, another story emerges (Figure1).

In general, the graph shows the typical flow of people in and out of nonmetro counties in the United States over a lifespan. The large dip in in the 20-24 age group is typically associated with young adults leaving rural areas to further their education or to obtain their first job. The spike, age 30-39, is often associated with young families coming back to small town life to raise their children. The smaller uptick in the 55-69 age group is frequently associated with early retirees returning to rural areas for family and/or other quality-of-life factors.



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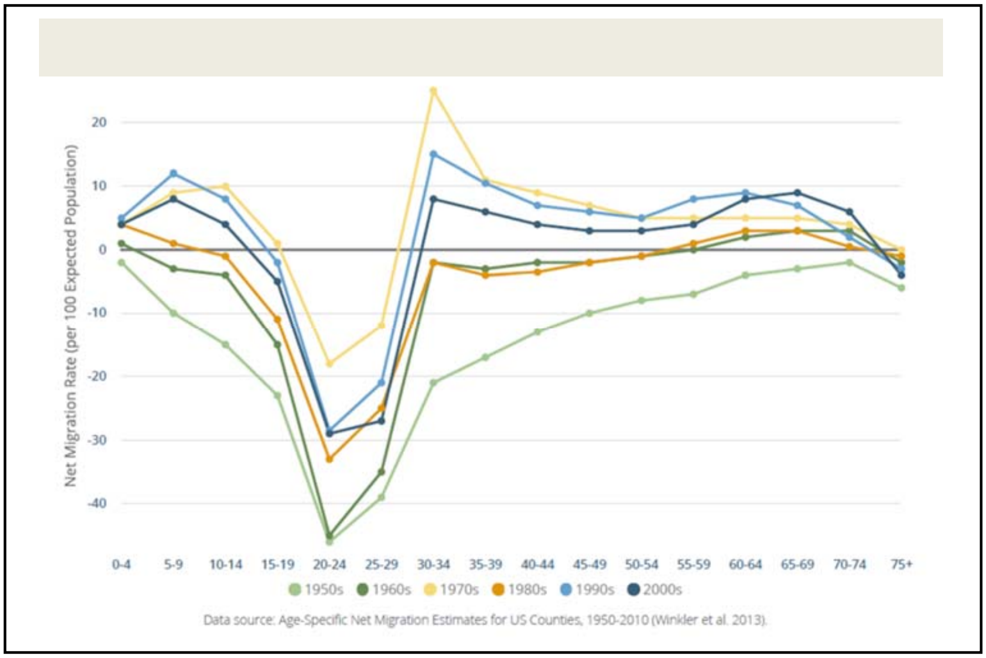
Figure 1. Median Net Migration by Age Group in Nonmetro Counties, 1950-2010.




As Nebraskans we might think of rural population change as a recent phenomenon when in fact, it has been happening for decades. And we are not alone--this is a national trend. The trend also shows us that there are two potential bright spots or groups in the data, young families and early retirees, that we need to understand better if we are to continue to attract and retain these groups in the future.

One of the first things you notice in this graph is that the trend for rural migration is very consistent over the decades – the trend lines for each decade mirror each other. The second striking factor is that the 1950's were not a very good time for rural in-migration. In fact, that decade, compared to the others, saw the most consistent outflow of rural residents in all age groups.

What other things do we see? The decades of the 1970's, 90's and 2000's were times when 30-39 year olds were coming into rural areas across the U.S. and the 90's and 2000's were decades where we saw an inflow of adults age 55-65. You might also notice a flattening out or dipping of the migration numbers for those between the age of 40 and 55.

So what does this mean? Research done in the Nebraska panhandle has shown that some young adults, especially young families, are looking to relocate from metro areas to nonmetro areas. They want to live in family-friendly communities to raise their children. They also need a way to support themselves so employment opportunities are critical. Employment must be there or in some cases, they bring an opportunity with them. Jobs and quality of life issues are parts of a "package" that young families are looking for as they contemplate relocation. For early retirees , the pull of quality of life and being in reasonable proximity to family and friends seem to be important factors in relocation at this age. Again, it is the "package" of opportunities that bring new residents into an area with each age group having a slightly different set of wants and needs.

For more information:


Smith, M. N., Winkler, R.L. & Johnson, K.M. (2016). How migration impact rural America. *In Population Trends in Post-Recession Rural America*, (publication series of the W3001 Research Project), Applied Population Lab, University of Wisconsin – Madison.

Cantrell, R., Burkhart-Kriesel, C., Johnson, B., Narjes, C. & Vogt, R. (2008). Moving to the rural Great Plains: Point of origin differences in the decision making process. Great Plains Research. *18*(2), 155-164.

*Marketing Hometown America*. (2014). An online magazine of rural migration research, marketing and community resources. Available at: http://tinyurl.com/marketing-hometown



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