

CRITICAL TRENDS

Communities across rural Idaho are changing – some abruptly and others over several decades; some towards a more positive future, and others struggling with the past. All have different economic opportunities and new challenges that can best be understood in the context of certain related and long-term trends critical to rural Idaho's future.

Productivity has improved – and will continue to improve – in the industries on which rural communities have traditionally depended. The nation is producing more food, timber, and energy with fewer and fewer workers. People who remain in the natural resource and agricultural sectors need increasingly more sophisticated skills to operate machinery, manage firms and use new technology.

With these increases in productivity, markets and prices for raw materials and agricultural commodities are not the national – or state – economic engines they used to be. For example, low crop prices and a downturn in farming do not slow the economy as a whole, although the impact on individual communities can be severe. Raw materials make up a smaller share of final products than they have historically. Even though these industries have become more productive, they now make up a smaller share of the total economy, due to rapid growth in service and information sectors.

Advances in communications technologies are causing fundamental changes in how firms operate in rural and urban places alike. On one hand, technology reduces some of the disadvantages of distance and isolation. On the other, it exposes almost all firms to more competition and allows the centralization of many activities, as in the retail sector.

Economic globalization has increased competitive pressures on almost every sector of the economy. Financial capital, goods and information flow across borders and through the global economy with increasing ease. U.S. firms now compete with countries with lower land and labor costs, lower environmental standards and in some cases, public subsidies.

Growing urban populations are seeking to use rural resources for multiple purposes other than those that have sustained rural economies in the past. Conflicting demands to use or conserve water, land, and wildlife dominate regional policy debates and have enormous impacts on how some rural people make their living. Many people living in rural areas are seeking innovative ways to capture economic benefits from tourism, recreation and wilderness. Discussions continue about how to give rural Idahoans a greater voice in managing the state's abundant public lands.

Finally, there are a growing number of local partnerships committed to finding compromises on contentious natural resource issues. It is a trend critical to rural Idaho's future and is being led by rural residents themselves. Frustrated with frequent litigation, small groups of people who depend on the land and water for a living have been sitting down with agency managers, recreationists and environmentalists to solve what seem like intractable conflicts. Idaho's Owyhee Initiative is one very public example. Not everyone believes these collaborative efforts are a good idea, but they clearly represent a new trend in how the West governs itself and may set the stage for future generations. They are consistent with successful partnerships and networks across rural America – like the Idaho Rural Partnership – that work to solve problems collaboratively instead of going it alone.