

RURAL IDAHO

by Priscilla Salant

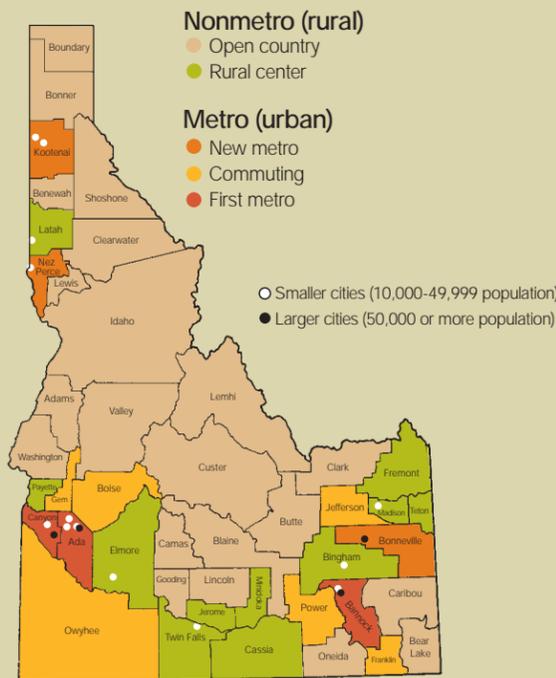
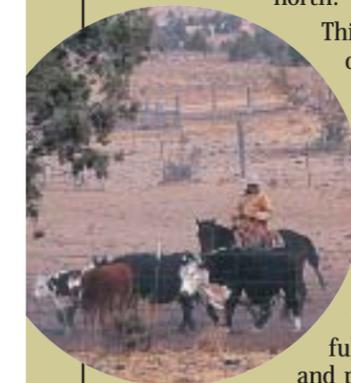
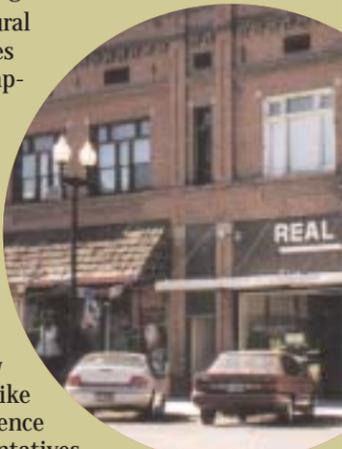
AT A GLANCE

The 1990s brought major demographic changes to Idaho. Population grew by 29 percent from 1990 to 2000, from 1 million residents to almost 1.3 million, the fifth fastest rate in the nation. On an annual basis, our growth rate peaked in 1993 at a remarkable 3.5 percent. Hispanics made up 8 percent of the population in 2000 and accounted for 17 percent of the growth that occurred during the 1990s.

These trends played out differently across rural Idaho. The populations of most rural counties grew at a moderate rate, while a few grew rapidly and two, Shoshone and Butte, lost population. Most rural counties bordering the state's urban areas grew, sometimes dramatically. Several rural counties grew enough to be reclassified as metropolitan. Hispanic populations in rural southern and eastern parts of the state grew significantly, while hardly increasing in the north.

This report gives an overview of what rural Idaho looks like today. The intended audience includes elected representatives who make policies that impact rural people; state, local, and nonprofit agency staff who work in and with rural places; business people who serve rural markets; and journalists who report on our state.

A note before we begin: the definition of "rural" bedevils even the most thoughtful conversations about rural places and people. In order to compare rural Idaho with other rural parts of the United States, we use the "nonmetropolitan" (nonmetro) federal classification that most analysts use when they talk about rural America. (See box, "What is Rural?") Thus, "rural" and "nonmetro" are used interchangeably in this report. Keep in mind that, as in the rest of the nation, our state's rural areas differ on every demographic and economic dimension. Understanding this variety is key to developing policies and programs that will improve community and economic well-being in rural parts of the state.



Nonmetro and metro counties in Idaho, 2002.

What is "rural"?

In this report, "rural" refers to counties the U.S. Office of Management and Budget (OMB) classifies as nonmetropolitan (nonmetro), while "urban" refers to OMB's metropolitan (metro) counties. To better understand the state's diversity, we also use subcategories of nonmetro and metro¹:

Nonmetro (rural)

Open country—Counties with no urban area or with one of fewer than 10,000 people
Rural center—Counties with an urban area of 10,000 to 49,999 people, but without strong commuting ties to a metro county

Metro (urban)

New metro—Counties that became metro in 2000 based on their urbanized area of more than 50,000 people
Commuting—Sparsely populated Idaho counties that are tied to metro counties by a high level of commuting
First metro—Counties that were metro in the 1990s

Using data from the 2000 census, OMB classified 12 Idaho counties as part of metropolitan statistical areas, nine more than in the 1990s. Three of the nine are "new metro" counties: Kootenai, Nez Perce, and Bonneville. They became metro in 2000 because their urbanized areas now meet the 50,000 population size criterion. The other six—Boise, Franklin, Gem, Jefferson, Owyhee, and Power—became metro because of their commuting ties with urban cores. (Fifty-five percent of Boise County's workforce commutes to adjacent metro counties, as do 35 percent of Franklin's, 37 percent of Gem's, 39 percent of Jefferson's, 40 percent of Owyhee's, and 27 percent of Power's.) Idaho's remaining 32 counties are nonmetro.

¹The OMB updates its county types after each decennial census. OMB's newest list, based on the 2000 Census of Population, became available in June 2003. This new list puts less emphasis on population density and more on commuting ties. The county types used in this report correspond to three county types defined by OMB: (1) first metro, new metro, and commuting counties are a breakdown of OMB's "inside metropolitan statistical area" counties; (2) rural center corresponds to OMB's "micropolitan statistical area" counties, and (3) open country corresponds to the OMB's "outside core based statistical area" counties. To learn more about the OMB classification, visit <http://www.whitehouse.gov/omb/bulletins/b03-04.html> or <http://www.census.gov/population/www/estimates/metroarea.html>

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wage labor. On the positive side, lower labor costs and a younger workforce offer important opportunities for attracting business.

Blaine and Teton counties are remarkable exceptions to these general trends. Their outstanding natural amenities have brought rapid population growth, high incomes, and low unemployment. Their challenges have more to do with managing growth and providing services to burgeoning communities than with revitalizing the economy.

Idaho's six commuting counties, though classified as metro, retain their rural character thanks to wide-open spaces and natural amenities. They are growing relatively quickly and can expect spillover from urban areas to continue.

Implications for the future.

In September 2000, the Governor's Task Force on Rural Development recommended that Idaho address five critical rural issues: leadership/governance; telecommunications/broad bandwidth; education and workforce development; infrastructure funding; and economic development. Our glance at rural Idaho points policy makers and their partners around the state toward addressing these issues first in places that need the most help. These are the communities with little or no population growth, high proportions of older people, high poverty and unemployment rates, and a less educated workforce.

At the same time, findings presented here offer reasons for cautious optimism about the future of rural Idaho. Growth is occurring in rural places that have developed their recreational opportunities and in those near the state's growing urban areas. Both types of places have benefited from the state's rich endowment of natural resources. In the long run, our challenge is to find ways to help all of rural Idaho benefit from the state's demographic and economic vitality.

Selected social and economic indicators, nonmetro and metro Idaho.

	Nonmetro		Metro	Idaho
	Open Country	Rural Center		
Population				
(1990, thousands)	161	252	594	1,007
(2000, thousands)	191	296	807	1,294
(2002, thousands)	192	300	849	1,341
Hispanic origin (2000, %)	5.1	11.4	7.2	7.9
Median age (2000, years)	39.7	30.1	32.9	33.3
Four-year college degree holders (2000, %)	17.8	18.3	23.8	21.7
Civilian unemployment rate (2002, %)	8.0	5.1	5.6	5.8
Average annual earnings per job (2001, \$)	26,678	22,591	29,106	27,699
Change in number of jobs (1990 to 2001, %)	26.3	29.1	55.2	44.4
Per capita income (2001, \$)	23,202	20,333	26,283	24,506
Poverty				
Overall rate (2000, %)	13.6	15.0	10.2	11.8
Child poverty rate (2000, %)	17.3	15.8	12.3	13.8
Poverty rate, people 65 years and older (2000, %)	9.6	9.1	7.5	8.3

Sources: U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and U.S. Bureau of Labor Statistics

Data sources used in this report

Information about rural Idaho is from the U.S. Bureau of the Census, U.S. Bureau of Economic Analysis, and U.S. Bureau of Labor Statistics. Information about rural America is from *Amber Waves*, U.S. Department of Agriculture Economic Research Service, www.ers.usda.gov/AmberWaves/. County codes are from the Office of Management and Budget, <http://www.whitehouse.gov/omb/bulletins/b03-04.html>

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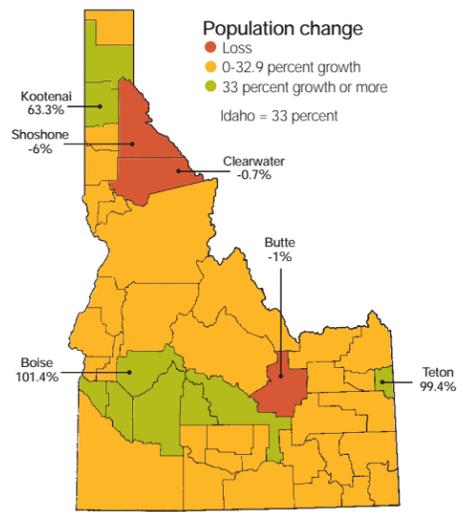
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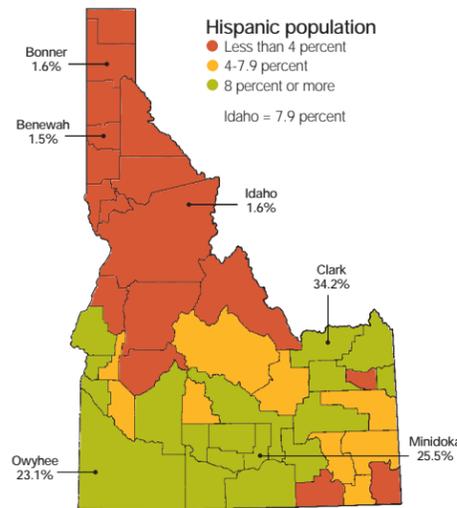
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Population increase, nonmetro and metro Idaho, 1990-2002.



Population change in Idaho counties, 1990-2002.

The three counties with the most growth and the three with the least are labelled.



Hispanic population in Idaho counties, 2000.

The three counties with the highest or lowest percentages of Hispanics are labelled.

Rural Idaho is growing. The population in rural Idaho grew by 18 percent from 1990 to 2000 and by another 1 percent from 2000 to 2002. About 80,000 more people live in rural Idaho today than in 1990. As in rural America as a whole, however, rural Idaho's growth rate peaked in the mid-1990s and in the last several years has slowed significantly. The three rural counties with the fastest growth since 1990 are Teton, Blaine, and Bonner—all counties the USDA classifies as recreational. (See box, "Recreation: A Development Opportunity for Rural Idaho?") Fueled by both in-migration and high birth rates, Teton County's population has doubled—from about 3,400 in 1990 to 6,900 in 2002. Shoshone, Butte, and Clearwater counties lost population between 1990 and 2002. Only Shoshone County experienced both out-migration and "natural decline," an excess of deaths over births.

But urban Idaho is growing faster.

The population in metro Idaho grew by more than 40 percent between 1990 and 2002, a gain of 255,000 people. As a group, the state's first metro counties—Ada, Bannock, and Canyon—led the expansion, growing almost 50 percent since 1990. Idaho's six commuting counties, which were rural in 1990 and would still be classified as rural if not for commuters traveling elsewhere for work, grew by 28 percent. Fueled by rapid in-migration, population in Boise County doubled as a result of growth in neighboring Ada County. Taken together, the state's new metro counties (Kootenai, Bonneville, and Nez Perce) grew by about one-third.

The state is less rural now. A faster growth rate in urban areas and the urbanization of formerly rural areas like Kootenai County have significantly altered the balance between Idaho's rural and urban populations. In 1990, 66 percent of Idahoans qualified as rural. Today, only 37 percent do. Even if we add the population in commuting counties (which people may not think of as urban), just 42 percent of Idaho residents qualify as rural—a big change from 1990. This smaller share of the population is spread over a very large land base. Open country accounts for 14 percent of the state's population but 57 percent of its land base. Rural centers account for 22 percent of the people and 18 percent of the land.

While Idaho is less rural than it was in 1990, it is still far more rural than the United States as a whole. Nationwide, only 17 percent of the population live in non-metro counties.

Recreation: A development opportunity for rural Idaho?

For the past three decades, population increases in rural areas with good recreational opportunities have far surpassed growth in the rest of rural America. Nationwide the USDA has identified 327 counties with a high degree of recreation development. Typically these counties are rich in natural amenities. They grew 20 percent in the 1990s, compared with 10 percent for all nonmetro counties.

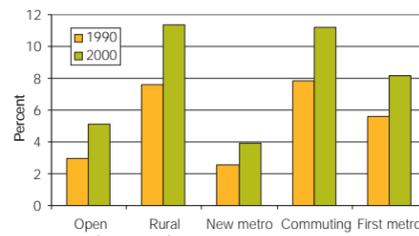
The story in Idaho is similar but more dramatic. Twelve Idaho counties are in USDA's recreation group: Adams, Bear Lake, Blaine, Boise, Bonner, Camas, Clark, Custer, Fremont, Kootenai, Teton, and Valley. Together they grew 43 percent in the 1990s. Two—Kootenai and Boise—went from nonmetro to metro status in 2000, partly because of recreation-related growth.

Whether recreation- and amenity-based development benefits rural communities is the subject of heated debate. Whatever the answer, these communities have the potential to grow, especially in Idaho where recreational opportunities, scenic landscape, and rural lifestyle are such great attractions for the state's burgeoning urban population. The challenge is for communities to manage development so that local residents benefit and the economy is as diversified and resilient as possible.

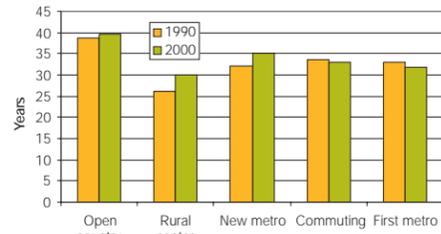
For more information, see "Nonmetro Recreation Counties: Their Identification and Rapid Growth," pages 12-19 in *Rural America*, volume 17, issue 4, published by the USDA Economic Research Service, <http://www.ers.usda.gov/publications/ruralamerica/ra174/>



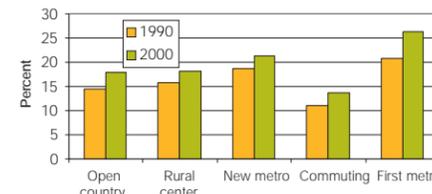
People of Hispanic origin, nonmetro and metro Idaho, 1990 and 2000.



Median age, nonmetro and metro Idaho, 1990 and 2000.



Adults age 25 and older who have completed a bachelor's degree, nonmetro and metro Idaho, 1990 and 2000.



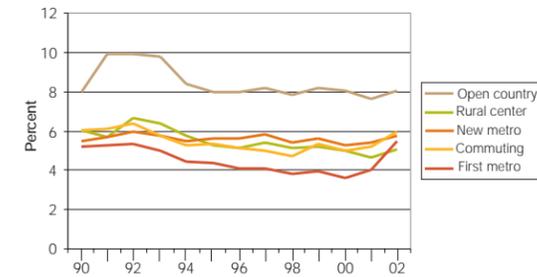
Hispanics contribute to rural growth. In rural areas nationwide, Hispanics accounted for a large share of population growth in the 1990s. The same was true in rural Idaho, and especially in the state's rural centers, where Hispanics made up one-third of all growth. In 2000, 11.4 percent of the population in rural centers was Hispanic, similar to the proportion in commuting counties but higher than in the state as a whole. As a percentage of the total, the Hispanic population is highest in southern and eastern parts of the state, especially in Clark, Owyhee, and Minidoka counties.

Rural people tend to be older and to have less formal schooling. On average in the United States, rural residents are older than urban residents. The same is true in Idaho. The biggest difference is between Idaho's open country and its first metro counties: The median age is almost 40 in Idaho's open country, eight years older than in first metro counties. The three rural counties with the highest proportion of people 65 and older—Lewis, Washington, and Shoshone—are all open country.

Eighteen percent of rural Idahoans 25 and older have at least a four-year (bachelor's) degree. This is a historic high and slightly more than in the rural United States as a whole.

Consistent with the rest of the United States, rural and urban Idaho differ in terms of education levels. On average, fewer adults age 25 and older in rural than in urban Idaho have completed a four-year degree: 18 percent in rural compared with 24 percent in urban. These averages hide wide variation, however. More than 40 percent of adults 25 and older in rural Blaine and Latah counties have at least a four-year degree, a greater percentage than in Ada, Canyon, and Bannock counties. In Shoshone, Minidoka, and Owyhee counties—open country, rural center, and commuting, respectively—only one in 10 adults has finished college.

Unemployment rate, nonmetro and metro Idaho, 1990-2002.



Unemployment rates in rural Idaho are higher. Again, the biggest difference is between open country and first metro counties—between the most rural and the most urban counties. In fact, the average unemployment rate in Idaho's open country was almost double that in first metro counties for most of the 1990s. In recent years, however, the gap has narrowed as urban unemployment rates, especially in Ada and Canyon counties, have increased proportionately more than in other areas. In 2002, Adams, Clearwater, Benewah, Shoshone, and Washington counties—all open country—had unemployment rates greater than 10 percent.

Second, average wages are lower in rural Idaho. In 2001, average annual wages per job (total earnings divided by the number of full- and part-time jobs) were \$24,296 in rural Idaho and \$29,106 in urban Idaho.

Poverty is higher in rural places, especially for children. The poverty rate is the proportion of the population whose money income is less than the poverty level established by the federal Office of Management and Budget. In 2002, the poverty level income for a family of two adults with two children was \$18,244, up from the 2000 level of \$17,463.

Poverty rates are consistently higher in rural than in urban Idaho, though for all county groups, rates declined from 1990 to 2000, from 13.3 percent to 11.8 percent statewide. Poverty rates declined by more than 30 percent from 1990 to 2000 in Bear Lake, Washington, Owyhee, and Franklin counties. Child poverty rates in 2000 exceeded 20 percent in seven counties. Five of these counties are open country, the other two commuting.

Rural Idaho—a varied landscape.

A glance at rural Idaho today reveals a wide range of conditions. Demographic and economic changes over the last decade have swept over rural parts of the state, bringing vitality to some places and decline to others.

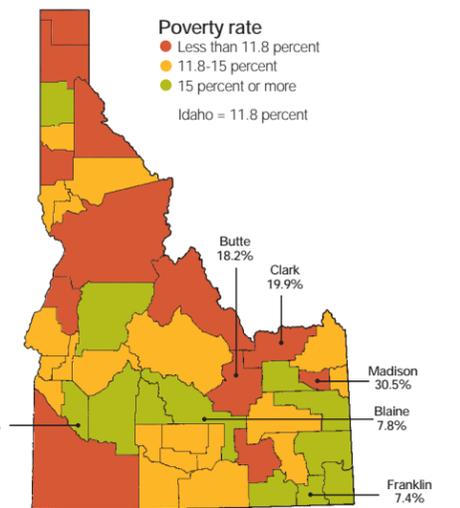
On average, counties in Idaho's open country are growing, but in some cases their economies are struggling. Unemployment is high and the workforce is older and less likely to have college degrees. Hardest hit are counties such as Adams, Boundary, Clearwater, and Shoshone, where sparse population, natural-resource dependency, and remoteness combine to create enormous challenges. If trends are not reversed in these communities, people will have a harder time making ends meet and staying put.

The rural centers are also growing. Their unemployment rates are lower than in Idaho's most rural places and their population is younger. Hispanics make up a sizeable part of their population growth. Despite these positive indicators for growth, however, rural centers face challenges. Their average earnings are low and their poverty rates are high. Though their economies are likely to be more diverse than in open country, this analysis suggests they are fueled by lower-

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Rural labor markets are not as tight. Based on two different indicators, labor markets in rural Idaho are not as tight as they are in urban areas. This is generally consistent with rural and urban labor markets in the rest of the nation.

First, unemployment rates in rural Idaho are higher. Again, the biggest difference is between open country and first metro counties—between the most rural and the most urban



Poverty rate in Idaho counties, 2000.

The three counties with the highest poverty rates and the three with the lowest are labelled.