



University of Southern California
School of Public Administration
Washington Public Affairs Center

RURAL DEVELOPMENT COUNCILS:

PRELIMINARY FINDINGS AND CONCLUSIONS

**A Report to the State Rural Policy Program
of the Aspen Institute**

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**Beryl A. Radin,
Principal Investigator
Professor of Public Administration
Washington Public Affairs Center
University of Southern California**

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**University of Southern California
School of Public Administration
Washington Public Affairs Center
512 Tenth Street, N.W.
Washington, D.C. 20004
(202) 638-4949**

CASE STUDY TEAM

Robert Agranoff
Professor
School of Public and Environmental Affairs
Indiana University

Ann Bowman
Associate Professor
Department of Governmental and International Studies
University of South Carolina

C. Gregory Buntz
Professor
School of Business and Public Affairs
University of the Pacific

Steven Ott
Associate Professor
Department of Public Administration
University of Maine

Beryl A. Radin
Professor
Washington Public Affairs Center
School of Public Administration
University of Southern California

Barbara Romzek
Associate Professor
Department of Public Administration
University of Kansas

Thomas Sykes
Director
Washington State Institute for Public Policy
Evergreen State College

Robert Wilson
Professor
LBJ School of Public Affairs
University of Texas at Austin

Betsy Hubbard
Research Assistant

TABLE OF CONTENTS

	Page
Introduction	4
Historical Background	5
Expectations	6
Program Development	9
Overview	9
Questions of Program Design	11
Models of Councils	15
Governance	16
The Federal Role and Federal Requirements	17
Substantive Agenda	20
Membership Issues	21
Staffing: The Executive Director	22
Technical Assistance	24
Criteria for Selection of Second Round of States	25
Comparative Analysis:	
Eight Rural Development Councils	28
The Nature of the Rural Sector in the State	28
A Rural Culture or Rural Cultures?	31
Patterns of Authority in the Governmental Structure in the State	32
Past Relationships and Efforts Related to Rural Development Issues	35
Membership on the Council and Governance Rules	40
Staff of the Council	48
Meetings	50
The Council's Agenda	51
Participation in USDA Training Programs	56
Future Plans	57

In January 1990, President Bush announced the steps his administration would take "to strengthen the delivery of Federal support for rural development." The administration gave then-Secretary of Agriculture Clayton Yeutter instructions "to implement six proposals designed to improve the coordination of rural development programs and serve as a catalyst for future initiatives."¹

The six elements included the creation of a President's Council on Rural America; establishment of a Working Group on Rural Development as a subgroup of the White House Economic Policy Council; creation of a Rural Development Technical Assistance Center and Hot Line; a rural development demonstration program; and an effort to target rural development programs on specific activities. In addition to these federal-level activities, the Initiative also envisioned the creation of state-level rural development councils that would coordinate rural development efforts among federal departments and agencies and establish collaborative relationships with states, local governments, and the private sector.

By the end of 1990, Rural Development Councils were established in eight states: Kansas, Maine, Mississippi, Oregon, South Carolina, South Dakota, Texas and Washington. Each of the Councils was initially organized by the state Farmers Home Administration director and included a variety of federal officials as well as individuals from various segments of each of the states.

At the same time, a management group (known as the Monday Management Group -- MMG) was established, made up of representatives from the participating federal departments. The MMG focused on outcome monitoring, served as a conduit for federal officials who would act as liaisons with the states, worked

¹ The White House, Office of the Press Secretary, January 22, 1990.

with the National Governors' Association, and provided a link with the Working Group on Rural Development.

Early in 1991 it became clear that the activity that was taking place in the eight states provided an important source of information for those interested in the role of states in rural development. Upon the advice of the State Policy Program of the Aspen Institute, the Ford Foundation provided a grant to support a data collection activity in each of the states, documenting the baseline process for the formation of the Councils. The grant was linked to on-going evaluation activities of the Aspen State Policy Program undertaken by a team operating out of the Washington Public Affairs Center of the University of Southern California's School of Public Administration. A monitoring team of eight academics was assembled, five of whom resided in the relevant state and three travelled to the state. This paper represents a preliminary report of the activities of the Councils from November through July of 1991.

Historical Background

Since the Kennedy administration, there have been a series of initiatives undertaken by successive presidents to focus on the problems of citizens who live in rural America. Problems of poverty, access, and education have been among the issues highlighted by these efforts. The Johnson administration commission report -- The People Left Behind -- documented a series of problems that were, as one analyst put it, "hidden in the hollows of mountains, out-of-the-way towns, and declining farms."² Many of the problems that were confronted by rural America may have once been directly related to an agricultural economy and society. But by the second half of the 20th century, the rapid increase in technology and distribution patterns severed

² John N. Cornman and Barbara K. Kincaid, LESSONS FROM RURAL AMERICA, Washington, D.C., Seven Locks Press, 1984, p. 1.

much of that agricultural linkage. It was increasingly clear that these communities required a different approach than that which emerged from the agricultural sector.

A part of the federal strategy over these years was, thus, to create mechanisms to target rural development assistance outside of the U.S. Department of Agriculture (USDA). In the 1960s, programs included the Appalachian Regional Commission as well as various efforts within the Office of Economic Opportunity. But another part of the strategy was targetted at USDA itself and mechanisms within the Department that would support a shift from a purely agricultural agency to one with a broader rural focus. The Rural Development Act of 1972 attempted such an effort as did activities during the Carter administration (including the creation of 13 state rural development councils). During the Reagan years, however, little was done to support these activities and budget stringencies provided the opportunity to eliminate efforts in this direction.

By 1990, however, despite disagreements about the form of an initiative, it was clear that various elements could agree that something had to be done about rural America. The 1990 Farm Bill included provisions authorizing the creation of a separate Rural Development Administration in USDA (although appropriations are not certain). A rural development constituency is still inchoate, but there are indications that movement is occurring in that direction.

Expectations

The design of the Rural Initiative focused on two broad goals: improvement of coordination among federal agencies and improvement of the effectiveness of the federal government's rural efforts by adopting a strategic and comprehensive approach to

rural development. These goals were based on the identification of five "obstacles" to change.³

- Federal rural policy is fragmented.
- Federal rural policy is not comprehensive.
- Federal programs are inflexible.
- Federal program responses fail to incorporate strategic vision.
- Federal responses fail to involve other participants in rural development.

The Bush Rural Initiative emphasized four principles in its design. It envisioned a central role for the private sector, reflecting the belief that rural development is dependent on the ability of the private economy to be productive and compete in world markets. It argued that the benefits of development must address the deep economic disparities that exist in rural America. It called for a lead responsibility for state governments in rural development as well as responsibilities for local government, private businesses, and nonprofit organizations. And it envisioned a goals-oriented process of strategic planning, linking fiscal limitations with specific programmatic objectives.

The eight states chosen by Washington-based officials to participate in the pilot phase of the Rural Initiative represented jurisdictions with a diverse array of experiences, problems and socioeconomic conditions within them. Despite this diversity, however, the design of the effort was conceptualized as a way for the federal government to stimulate change within the states.

Several aspects of the effort were important and somewhat unique in terms of past intergovernmental change projects. First, it was organized at the state level (rather than in Washington or at the federal regional level). Second, it was composed of a range of

³ See Walter E. Hill, Assistant Under Secretary, Small Community and Rural Development, USDA, "Building a Better Rural Policy: The President's Rural Development Initiative," comments to the Annual Agricultural Outlook Conference, November 27, 1990.

federal and state officials, drawn from many different federal departments, who are not often brought to the same table. Third, its determination to allow equal representation of federal and state officials in a state-level organization was not typical. Fourth, the presence of a White House Council and Washington-based agency group (the Monday Management Group) was not usual. Fifth, the federal participation in the effort was devised as active but was meant to emphasize procedural guidance rather than substantive direction.

PROGRAM DEVELOPMENT

This report of the experience of the eight Rural Development Councils initiated as a part of the Federal Rural Initiative provides a baseline of information on the organization and early development of the effort. None of the Councils began their organizing activities before November 1990 and by the end of the summer of 1991 were just beginning to move toward the definition of a substantive agenda and specific activities. Thus it is much too early to make an assessment of the policy or programmatic effects of the Council activities.

Overview

Given the diversity of the American society, it is not surprising that there are dramatic differences between the experiences of the eight states in this project. The eight states represent very different populations, economic structures and opportunities, institutional arrangements, political realities, sizes and regions within the U.S. As such, each of the Councils within the project responded to the opportunities and responsibilities contained within the effort in unique ways.

However, it is somewhat surprising -- given the uncertainties related to the availability of federal resources -- that each of the state Councils took the initiative seriously. As we assess the early months of the Council experience we can make the following comments about its positive attributes:

- The project became more than a Washington-devised federal directive; it evoked more than compliance behavior. States wanted to use the federal-state councils to accomplish their own goals.
- During the first nine months of the project, states put a distinctive state "stamp" on each of the Councils.

- Networks and new relationships were established in each state. Individuals from both federal and state agencies who rarely -- if ever -- worked together were talking to one another. In some cases, this represented the first time that these conversations were held.
- As a result of these networks, there are strong indications that organizations and people who had not focused on rural issues were now more aware of the needs of individuals living in rural areas.
- The initiative assisted states to go beyond narrow definitions of economic development (e.g. recruitment and smokestack chasing) and many moved into a broader conceptualization of rural development that included community development issues, social services and infrastructure.
- There is momentum within each state to continue the process.
- Learning has taken place within each state about the nature of the policy issues, the dimensions of existing state and federal programs, and the problems of its rural residents.
- The flexibility that has been intrinsic to the design of the initiative has been valued. It is critical to the enthusiasm of the states and valued by the participants.

These accomplishments are not trivial. They represent an important step forward in many states and suggest that there is a significant and appropriate federal role in such activities. Many states are on the threshold of a substantive program that may change rural development. At the same time, the experience of the Councils provides useful information that can be used by federal officials in the next round of this initiative.

Questions of Program Design

It is obvious to a group of observers that there have been significant modifications in the original design of the Rural Development Councils since the states were chosen and Councils organized in the fall of 1990. As the Washington federal staff responded to specific questions and problems raised by the participants within the states, they -- as well as the individuals in states -- learned more about the realities and possibilities for carrying out such an initiative. While the flexibility and openness of this process was positive in many ways, it also created some confusion and problems for the Councils that were both time-consuming and not productive in terms of program development.

We have characterized the design issues in this project as problems of 1) *time*, 2) *mixed signals*, and 3) *substance*.

1. Time. Without exception, the eight Councils found themselves engaged in a process that was much more time consuming than they expected. The amount of time required for the development of the Councils was extensive in two separate but related ways. First, because the Councils involved new and continually changing configurations of participants, the process of developing relationships and a sense of identify and shared goals was protracted. The one year time horizon (and attendant deadlines imposed by Washington) was unrealistic. At the minimum, an effort of this kind requires two years to develop. Even if some of the issues that created problems for the first group of states are addressed, it is likely that a new set of issues will be surfaced as the group works out its own identity.

The second but related time issue involved the amount of time that individual participants found that they had to spend on the project. Few -- if any -- of the participants were relieved of other responsibilities by their agencies and they discovered that frequent meetings and assignments were required to develop momentum for the Council.

Time was also a problem as it related to other developments within the state. Federal council participants discovered the temporal nature of state "policy windows" and the constant flux that is the reality in states, given elections, budget crises, reapportionment and other state issues.

2. *Mixed Signals.*

a. *A Federal or a Federal-State Council?* Although the Washington based federal officials involved in the project always valued some level of flexibility for the state Councils, the shift of the initiative from Federal Councils to Federal-State Councils created a degree of confusion within the project. When the Councils were organized, there was a tendency for federal officials to find state "clones" of themselves -- their state counterparts related to specific programmatic responsibilities. While many of these state officials were important players, this tendency to develop a state mirror image of the federal players (from the Monday Management Group down) did not pay sufficient attention to the program and policy reality of the specific state. This was particularly problematic if these state realities involved agencies and programs that were not under the executive control of the governor. In some states, it took several months for the Council to reach out to actors that had been involved in past rural development efforts and would have appeared to be "obvious" participants.

b. *What resources are available?* Council members were both puzzled and annoyed about the lack of clarity regarding the federal resources that would be available to them to support their activities both in the short term and in the long term. In the short term, Councils were faced with fund raising problems; in an era of state budget shortfalls, it was particularly difficult to obtain funds from state agencies. In the long term, there was confusion about the relationship between these efforts and those planned for the Rural Development Administration. At least some participants believed that the Councils were the "stalking horse" for the RDA and both state and federal officials were apprehensive about the

longer term consequences of changes in their programs associated with this development.

c. *We've seen this movie before.* Several of the states had participated in earlier rural development initiatives (particularly those that were federal demonstration projects) and were somewhat cynical about what could occur through this project. Some federal officials in states were not convinced that this initiative would be around in the future and found it difficult to be extremely enthusiastic about its longer term impact.

3. *Substance.* As the Council process has unfolded and reached for a substantive agenda, there appears to be a movement from federal predominance to ascendancy of state (and sometimes local) officials. Although the Councils were initially organized by the federal officials within the state, these individuals have tended to play a more supportive and deferential role to the state officials as the specific activities are devised.

a. *The extent of federal program change.* The original design of the initiative accentuated the need for formal policy and program change that could only be made in Washington. In at least a few of the states, there continues to be a belief that the Councils will identify what they view as problems with federal requirements, send their recommendations to the Monday Management Group and the Economic Policy Council, and expect the changes to be made by the White House. In some cases, it is assumed that problems require large scale change while in others the need is for somewhat less dramatic -- but still Washington based -- shifts. In several cases, the states that have focused on more comprehensive policy changes appear to down play (or ignore) the role of Congress in the policymaking process; there is nothing in the process that requires state participants to think more realistically about the structural realities of federal decisionmaking.

Several of the states -- particularly those with some years of experience with joint federal-state activities -- have more modest expectations about the dimensions of federal program change that will come from the effort. They focus on the level of discretion

that is already available that might be underutilized and create methods that allow them to "torque" the existing system to maximize collaboration and cooperation. In addition, some of the federal agencies (particularly the human services agencies) have had more experience with collaborative and networking activities involving both other federal as well as multi-state agencies than have other federal organizations that deal with only one state agency. These experiences have led the federal officials to focus on specific and somewhat narrow projects for collaboration rather than broad systemwide change.

While they may send their suggestions to Washington, few of these changes would require more than administrative modifications. In still other cases, participants focus on the allocation decisions that are made within the program elements and make the changes themselves within their own agencies.

b. *Thinking about the state.* Although each of the federal Council organizers did attempt to deal with state officials before the start-up meeting, the reconfiguration of the project as a joint State-Federal effort raised some additional questions.

- In many states, the governor is not structurally strong (five of the eight states are viewed as on the weak end of the NGA's continuum of gubernatorial powers) and has limited ability to speak for the state. The legislative role has been largely ignored in the process; in some states, elected agriculture commissioners, chief state school officers, and others are not inclined to spend energy on a project that is viewed as the "governor's effort." At the same time, the governor's role is important, particularly in the ability of that official to utilize a statewide "bully pulpit."
- For many states, this is not the first effort to focus on rural development issues. Councils were not encouraged to do a "scan" of the past state activity early in the process, allowing them to identify others who should be involved and to learn from what had been done previously.

- The project assumes that it is relatively simple to define the dimensions of "rural" within a state. Although census information is of some use in this endeavor, it was not adequate as a sole source in any of the Council states. Issues of geography, other population characteristics, as well as culture are a part of such a definition. It is important for the participants to think about this problem early in the Council organizing process and be given the flexibility to define "rural" within their own state circumstances.
- States vary in the way that they relate to local government. In some states, it is not possible to undertake an effort such as this one without immediately involving local government and substate areas. In other cases, the state has a much more centralized mode of operation.

Models of Councils

The experience of the eight Councils can be analyzed across at least four dimensions.

First, *inclusive vs. exclusive* membership. Some states found that an inclusive approach to membership provided the energy and momentum for the effort. Still others, however, found that an exclusive approach to membership, tied to the agenda of the governor, was the method that provided life for the initiative.

Second, *formal organization vs. network*. Some states moved to devise the requirements and procedures associated with a formal, somewhat bureaucratic organization that was concerned about rules and predictable activities. Others envisioned the project as a method of encouraging networks and were, thus, content to keep the rules to a minimum and accentuate the informal processes.

Third, a focus on *process issues vs. substantive issues*. Some states were focused on the processes of rural development:

who is consulted, what are the mechanisms for assuring the appropriate people are in contact with one another. Others were driven by specific policy or programmatic agendas dealing with rural development issues.

Fourth, *state vs. federal predominance*. Although all of the Councils were organized by the federal actors, this is an area which appears to be in constant flux and, as the activities become more specific, the state actors become more important. However, the states do vary in the extent of this movement and the balance between the two sets of actors.

Governance

Because the states have configured their Councils in different ways, not all of the Councils have confronted the same governance issues. However, there are five issues that emerge from the first year's experience:

1. *The Executive Committee: its role, size and composition.*

Some states have made their executive committees the centerpiece for the activities, treating the Council as an open membership organization that meets less frequently and serves more of an information-sharing than a decisionmaking function. The size of the executive committee ranges from 30 members to five members. Some executive committees have designated seats for particular constituencies while others have a combination of officers and at-large members.

2. *Chairs and co-chairs.* According to informants, most of the Councils believe that the initiative required a federal official to be the chair of a Council. A co-chair arrangement was one way of dealing with this: one federal and one state individual. Three of the states have co-chairs; one appears to be working effectively while the other two are somewhat problematic.

3. *Committee structure.* Most of the Councils have established working committees to perform both administrative and substantive roles for the Council. In some cases, the committee members are drawn from outside of the Council membership. Committees include membership and finance as well as those organized around specific activities and substantive issue areas. Much of the work of the Council is performed by the committees who report to the executive committee.

4. *Meetings.* Most of the Councils have held regular monthly meetings since the beginning of 1991. Executive committee meetings both precede and follow the Council gatherings; committees will meet frequently, depending on their charge. By the end of August, all of the states will have held their own institutes-retreats, setting aside several days to focus on the substantive agenda for the group.

5. *Executive director meetings.* The original plan for the Rural Development Councils appeared to view the executive directors as the point of liaison for the Washington-based project staff; this design justified the practice of calling these individuals together for frequent and multi-day meetings. For some of the Council members, these meetings appeared to be too frequent and detracted from the accountability of the executive director to the Council. If the next round of executive directors is chosen by the Councils (rather than by Washington), it is probably useful to rethink the types, lengths and frequency of meetings with them.

The Federal Role and Federal Requirements

Although the design of the project allows a great deal of flexibility to the specific Councils, the Washington-based project staff imposed a set of requirements on the Councils in the form of four deliverables: a needs assessment; an inventory of rural development resources; a strategic plan for meeting the needs; and

an implementation plan. The experience with these requirements is mixed. In some cases, the state has adopted a minimal compliance mode to conform with the requirements; in others, the state Council took the requirement seriously; and in still others, the state decided to ignore the substance of the requirement.

Some states simply took the mission statement language from the federal initiative and substituted the state's name for that of the federal government. Other states decided to use the definition of mission as a way to discuss and define the specific and unique identity of the Council; these efforts produced mission statements that emphasized particular values (e.g. local involvement, community development activities). Some states viewed the mission statement as something that was done once (to satisfy Washington) while others treated it as a point of departure for activities and that the statement would be refined and changed over time.

Five of the eight states have written by-laws and/or constitutions. Some are currently working on them while others decided that the time and energy required to produce by-laws would not be productive and effectively ignored the requirement.

Some of the states have worked through the needs assessment requirement by simply compiling all of the existing studies and analyses of rural development issues. Others have decided to revisit that past work, either by devising new data collection methods or by attempting to identify conflicting recommendations and analyze them.

The strategic planning requirement has also evoked a variable response. For some states that have already developed a total vision or grand strategy for rural development, the imperative is devising a specific implementation strategy. States that have not yet conceptualized such a grand strategy may find it useful to do so; however, some may not have done this in the past because it is too divisive within the politics of the state to make a grand agenda explicit. They are likely to avoid such a task through the Council as well. For these states, the product "plan" that is developed may

simply be a cobbling together of some specific, narrowly defined projects or demonstrations and outputs of other committees.

Most states found that the deadlines imposed by Washington were very unrealistic; some attempted to show a spirit of compliance by responding to the directives in some partial fashion while others decided to ignore them altogether.

The first year experience of the Councils appears to suggest that this project -- like so many other federal efforts -- is faced with a dilemma. Some federal requirements are probably appropriate but the four deliverables that were mandated seemed more in the tradition of explicit, bureaucratic and formalistic federal requirements than in the facilitating spirit of the project. Each of the four deliverables spoke to an important step or set of processes that the Council should have confronted but the form of the requirement may have obscured its spirit. For the next year, the Washington based federal staff might think about asking each state to devise its own list of "deliverables" to Washington within some general areas, putting the onus on the state to define its own specific forms of accountability.

To this point, there are several other issues that are relevant to the definition of the federal role:

- *The variable authority and role of federal state and regional offices.* Some of the federal programs that are "natural" players in this process do not have a program or even a generalist presence in either the state or in the federal regional office. Federal regional officials who are constrained by travel funds and distances have a limited ability to participate fully in the process. These limitations are particularly relevant to the social services program areas.
- *The limitations of USDA responsibilities.* The broader the definition of rural development that is used by the Council, the further away the process moves from USDA program and policy authority. Yet the entire staff support for the project comes from USDA.

- *Federal program "learning."* At the present time, there does not appear to be a formalized mechanism for federal program specialists in the Council states to meet and exchange experiences. Such an exchange would allow the Washington-based program officials to get a sense of the "bigger picture" defined by the Councils and, as well, to focus on changes in program requirements and processes that may be made within their existing authority.

Substantive Agenda

Although it is much too early to know the substantive results of the Council process, it is clear that most of the Councils have organized themselves in a way that facilitates a broad definition of the issues and actors involved in rural development. In no state is the Council viewed as the purview of the agriculture community; indeed, these actors may actually be underrepresented in some states. The Council process has also positioned the discussion to move beyond narrow definitions of economic development (e.g. smokestack chasing and recruitment of industries outside of the state) to focus on the value-added dimensions of economic development within the framework of existing industries and commerce within the state. In many states, the small cities CDBG program and other aspects of community development are an important part of the discussion, bringing in efforts related to infrastructure development and housing programs.

As the Council agenda becomes enmeshed in the unique state economic, social and political context, in some states the rural banner becomes less distinct. Depending upon the particularities within the state, it may be more useful to talk about issues of poverty or geography than to focus on problems or solutions that are labelled "rural." In yet other states, the framework "rural" facilitates coalitions and broadened support for programs and change.

There are some state Councils that may avoid specific substantive agendas as they continue their work, choosing instead to highlight their process contributions as brokers, advocates or coordinators. In those cases, the Council will not be identified with a particular solution or set of actors within the state and will invest in the process as an end in itself.

By the end of August, some of the states are discussing the demonstration projects that they will sponsor. It is not yet clear how these projects will be chosen, on what basis, or how they fit (if at all) into a broader framework.

Membership Issues

The design of the initiative rests on the representation of specific agencies to be members of the Council. Several issues were raised about this approach. First, if organizations are the point of reference, then it is to be expected that top officials will appoint designees to attend and shifting attendance from the agency may occur. This creates some discontinuities over time and a sense that when new people attend, it is important to revisit past discussions. In some cases, membership emphasizes specific individuals and an attempt is made to "imprint" those individuals to work on the Council.

Second, the agency approach to membership may minimize attention to specific programs that are important for the effort. States vary in terms of the organizational location for programs and in some cases it is important to get to the programmatic rather than the executive level for attendance.

Third, the agency approach may mask sensitivity to the population diversity within the state. Councils could be encouraged to think about members who not only have specific policy or program expertise, authority and political "connections" but also those who reflect or represent the diversity of the state (e.g. racial or ethnic populations or specific geographic regions).

It was noted that several state level actors appear to be missing or underrepresented on the Councils. Neither legislative actors or representatives from all of the several elements of the education sector (primary and secondary education, community colleges as well as universities) were involved in most of the Councils. States also varied in terms of the level of participation of social service agencies, local government and nonprofit groups.

In several states, participants were told that representatives from HUD and ASCS received instructions from Washington that they could not become involved with the Council. Yet in other states, representatives of these agencies were involved. There is also variability in terms of the participation of EPA and VA around the country.

Staffing: The Executive Director

The seven individuals who currently serve as executive directors for the Councils (at this writing, Texas did not have an executive director) came to their positions from very different routes, backgrounds and methods of choice. Two of the individuals were "parachuted" into the state from Washington-based federal activity; in one case the individual did not have any experience in the state while the other was selected for the position even before the Council was organized. Some of the executive directors had long involvement with rural development issues in the state; some were politically connected; still others appeared to be targets of opportunity (individuals who were available for the position). Lack of a dedicated budget for the effort meant that the project had to rely on the commitment of participating Departments to detail an individual or slot for the position.

In future years, it is probably a good idea for the executive director to be chosen by the nucleus of the Council and not "assigned" to the Council. The choice of the executive director is a useful way for the Council to think about its method of operation, goals and style. It also assures that the major

accountability relationship is between the Council and that individual, rather than between Washington and that individual.

Several possible models for the executive director role emerge from the first round of Councils:

- The *Chief Executive Officer* (the executive director as the pivotal and most influential figure in the process, serving as the administrator and substantive policy expert for a less informed and active Council)
- The *Staffer* (the executive director as the provider of the day to day continuity for the Council, serving the executive committee and the officers)
- The *Policy Leader* (the executive director as an individual with past experience, expertise, good relationships and influence in the broader policymaking process)
- The *Bureaucrat* (the executive director serving as the arm of one of the federal or state agencies participating in the process)
- The *Federal Officer* (the executive director as the vehicle to bring the Council into conformity with the national White House agenda).

Questions about the executive director experience also related to:

- The status and compensation level of the position. In some states, the salary of a GS-15 puts them at a standard of living far above top state officials.
- The ability and demands on the person for fund raising.
- The levels and sources of clerical and other staff support to the executive director.

- The expertise and background required to serve in that role.
- The relationship between the individual and their "home" agency.

Technical Assistance

Perhaps the best thing that can be said about the two institutes that were available to the Council participants this year is that they created a common enemy for the participants and brought the individual Council members together as a group. The complaints about the New Orleans and the San Diego Institutes were extensive; some found them too elementary, others characterized them as too technical. Many commented on the inappropriateness of the two locations because the trips appeared to some in the state to be vacation "boondoggles." All, however, commented on the unsuitability of the didactic style of the presenters. Indeed, the process of organizing the Councils and developing a substantive agenda does not require an infusion of technical information nor a program that is deduced from the concept of a national curriculum.

At the same time that we are critical of the past experience, it is our assessment that a centrally organized set of experiences for new Councils is both important and appropriate. It is useful to have some sort of start up event outside of the state that gets the Council into a collaborative mode. Although the Councils should have some control over the definition of their own technical assistance needs, there will be a tendency for them to focus on specifics and a task orientation. The national federal role can be helpful in pushing the states to conceptualize the issues more broadly.

Next year's effort can be greatly aided by the structured involvement of the first year participants in the design and substantive presentation of a different type of institute. We

suggest that technical assistance be viewed as a way of providing peer support, including Council members (not simply executive directors) in the design process and allowing the new states to learn from the first generation.

While we do not believe that a single model of a Council is appropriate across the country, alternative methods of dealing with the process are available. For example, it would be useful for a new set of states to have an exchange with the first group to learn about multiple ways that the original eight states conceptualized the dimensions of their rural areas; to get a sense of past efforts which appeared relevant to some states; and to see how various governance and organizational issues were handled. If new states see some affinities with the experience of one or another of the original eight, then they might seek other forms of advice from them. While some of this information could be usefully developed into a "start-up" manual, much of it requires context and specific examples to be understood and applied.

Criteria for Selection of the Second Round of States

This baseline assessment does suggest some areas to be considered as the expansion of the Councils into other states is developed. It is obvious that the process is much more complex, more time consuming and less amenable to broadbrush policy or project directives than was originally imagined. As such, a small staff in Washington should not attempt to deal with any more than eight additional states at this time.

The selection of the states should include the following elements:

1. *The commitment from the state to the project.* While the communication between Washington and the states may be through the governors and their offices, it is essential that some effort be made to solicit involvement from the legislature, other elected officials, and others who are logical actors within the state.

The specific cast of actors will depend on the state, but the principle is clear: reach beyond the governor's personal commitment. It is important but usually not sufficient.

2. *A relationship between this project and other state agenda items.* This might involve other issues beyond those normally thought of as rural development (e.g. education reform, rural health). Showing some linkage between the proposed Council and these other issues is a way of imprinting the importance of a relationship between state activity and the Council.

3. *Electoral cycle timing.* In several cases, the Council was established in the middle of state elections; these elections produced results that were not anticipated by the planners. In addition, when a Council is attempting to organize itself in the middle of an election campaign, it can be expected to face all sorts of complicating factors. While it may not be possible to avoid these issues, it is important to consider them when choices of states are made.

4. *Geographic and regional variation.* Some of the differences that are identifiable between states do seem to have elements of regional variations (e.g. race issues in the South, frontier issues in the West, timber issues in the Far West). A new set of states would encourage sharing of similar problems; for example, a third state in the South; another state with water problems; and another state with a large Hispanic population.

In addition, there seem to be some regions of the country missing from the array: there is no state from the Mid-Atlantic region; no state from the Rocky Mountains; and no state from the Midwest "I" states (Indiana, Illinois, Iowa).

5. *Pockets vs predominance of rural populations.* The current set of eight states includes three states that are predominantly urban but have significant rural pockets or areas (as they define rural). Other of the states have difficulty differentiating

any populations that are *not* rural. The mix of the types of an interesting one and should be represented by the next round of states.

COMPARATIVE ANALYSIS: EIGHT RURAL DEVELOPMENT COUNCILS

This baseline assessment of the first year's experience of the eight Rural Development Councils selected to participate in the Federal Rural Initiative focuses on nine areas:

- 1. The nature of the rural sector in the state*
- 2. Patterns of authority within the governmental structure in the state*
- 3. Past relationships and efforts related to rural development issues*
- 4. Membership on the Council and governance rules*
- 5. Staff of the Council*
- 6. Meetings*
- 7. The Council's agenda*
- 8. Participation in training programs and institutes*
- 9. Future plans*

Case studies were developed by experienced academics for each of the eight states that described and analyzed these developments following a common outline. These case studies became the basis for a meeting of the team, providing the opportunity for the eight members to report their findings and to identify patterns and trends for the project as a whole. This section of the report presents a summary of these findings as well as the identified patterns.

The Nature of Rural Sector in the State

Defining "rural" in many of the states was not an easy process. Indeed, several of the participating states were reluctant to come to grips with this problem and, instead, finessed the task.

Although the concept of "rural" is illusive, there are some observations that can be made about the nature of the rural sector in the eight participating states.

Historical Developments: The Council states come to this project with very different developmental patterns. For all of the states, however, the rural sector and the farming sector are not the same; while this may have been true in the past, it is no longer. However, some of the population patterns within the state are related to agriculture; this is true for traditionally one-crop states such as South Carolina and Mississippi as well as states with a tradition of diversified crops such as Washington. In at least one state (South Dakota), there has been a more recent recognition that agriculture will not support the state economy of the future.

Population Patterns: Most states began their definition of the rural sector by utilizing the Census Bureau's category of metropolitan statistical areas (MSA) but found that these population classifications were of limited utility to them. States operate with a number of other definitions which may overlay or significantly change the MSA categories; some are established by the state through specific programs while others fall out of other state initiatives (e.g. school reorganization, reapportionment, local government financing patterns). Indeed, in some cases, the definition of rural within the state is in response to the demands and construct of federal programs.

The states that have participated in the Council activity represent very different population distributions. Several are predominantly rural; indeed, it becomes difficult to determine what is not rural in the state (e.g. South Dakota, Mississippi). Several others are states that are predominantly urban but have significant pockets or areas of rural populations (e.g. Texas, Washington, Oregon).

Although many states present their population data by county, this may also be of limited utility. States with very large counties may have mixtures of urban, rural, small town, or

suburban communities within them. The aggregation of population patterns within the county may mask the location of rural areas. This is particularly problematic in those states in which there is a difference between rural areas in urban corridors and those outside the corridors that experience problems of access to services, commerce and trade.

For some states, the boundaries of the rural sector reflects other types of diversity within the population. Native Americans in South Dakota and Washington, African Americans in Mississippi and South Carolina, and Hispanics and African Americans in Texas create the need for differentiated data collection by race and ethnicity.

Although the popular view is that population in America's rural areas continues to decline, these states indicate that population patterns vary around the country. There is some growth of population in rural America, especially around metropolitan corridors. At the same time, there are continued losses of population in some areas of some states (e.g. the Delta area of Mississippi). Overall, the rural areas in these states tend to have younger and older populations than other parts of the states. In at least one state (South Carolina), the increase in the older population has occurred because of an effort to lure retirees to the state.

Patterns of Topography and Geography: In a number of states, the rural sector is determined by patterns of topography and geography. In South Dakota, for example, the Missouri River separates the eastern plains from the western ranching area. A fall line bisects South Carolina, differentiating "up country" and low country" areas. The Mississippi Delta is defined by the Mississippi River while the eastern and western separation in the state of Washington is set by the Cascade Range. The topography of Texas defines at least three rural areas: the Rio Grande Valley and coastal plain, the rich farm land of east and north Texas, and the dry plains of the west.

Although states with common borders are not identical and have unique characteristics, geography has been responsible for some shared problems and patterns along regional lines. Timber in the Far West, cotton in the South, and water accessibility in the West have created some sense of common problems and experiences.

Service Patterns: Some of the states involved in this project have service and social problem differentials between rural areas and more urbanized parts of the state. Others, however, do not have such differentials. Rural residents in Maine, Mississippi and South Carolina tend to be poorer, have higher unemployment rates, and utilize various income assistance programs to an extent greater than those who live in non-rural areas. In the state of Washington, some parts of the rural sector experience high unemployment rates while others do not.

Most of the states suffer from limited access to health facilities (ratios of patients to doctors and nurses are extremely high and hospital bed facilities are limited). Education achievement in Mississippi, South Carolina and parts of Texas is lower in rural areas than in other parts of the state.

A Rural Culture or Rural Cultures?

While most of the states used some form of data to define their rural sector, many of them approached their definition in the context of patterns of beliefs and behavior that make up what they view as a rural "culture." In Kansas, for example, rural culture refers to communities with people who are fiercely independent and don't like anyone else telling them what to do. At the same time that this description characterizes rural areas, it also serves to describe the predominant culture within the state.

For South Carolina, there are two distinct rural cultures, reflecting the geographic bifurcation of the state. Similarly, Mississippi has two rural "cultures;" one is poor, African

American and historically disenfranchised but energized by the 1960s civil rights movement. The other rural Mississippi is white, lives in small towns, and resists modernization and development.

Oregon, a largely urban state, links the rural areas with the "other Oregon" -- areas with high unemployment, low income and out-migration. South Dakota's rural culture is differentiated from the frontier culture as well as the urban areas. Given the small population of the state, however, all of the areas operate on an informal, familiar basis.

In some states, it was relatively easy to identify the elements of the rural "culture" that helped to define the dimensions of the project. In others, however, this was an area of discussion that was to be avoided. Texas did attempt such a definition, but gave it up because too much political conflict would result from the great diversity within the state's rural areas.

In at least a few cases, states were wary of defining "rural" in a way that separated it from other sectors of the society. Kansas effectively defined the whole state as rural because they believed that it was too divisive to differentiate rural from other issues. Mississippi's definition of rural development is difficult to disentangle from education, health and economic development activities in the state as a whole since race, poverty and rural are so closely intertwined.

Given this diversity, it seems obvious that it would be impossible and unproductive to attempt to reach for a uniform national definition of "the rural sector." While it may be possible for the federal government to devise a typology that describes possible characteristics and problems of rural communities, the application of the typology is a matter for the state to control.

Patterns of Authority in the Governmental Structure in the State

The eight states that participated in the Councils varied in terms of the institutional and personal roles of the governor, the

legislature, other elected officials and local government. These variations established very different decisionmaking frameworks for the enterprise.

The role of the governor: According to a 1987 analysis by the National Governors' Association, five of the eight Council states had relatively weak governors. Gubernatorial powers in those cases were shared with the legislature, with other elected officials (often including an elected Commissioner of Agriculture), and with appointed boards and commissions that also play an important decisionmaking role within the state. Although several states were engaged in restructuring or reorganization activities that would increase the authority of the governor (e.g. Mississippi and South Carolina), cabinet government was not the norm (Oregon and South Dakota are exceptions). Agriculture commissioners are elected and operate outside of the governor's cabinet in Mississippi, South Carolina and Texas. In Kansas, the agriculture commissioner is elected but usually considered a part of the governor's cabinet.

Governors also varied in terms of their personal interest in the rural development issues. Several governors had expressed active interest in the initiative, linking the activities to other agenda items in South Carolina and Texas. Even in states with weak governors, economic development activities were associated with the governor's authority and agenda (such as in Mississippi and South Carolina).

The role of the legislature: The legislatures in the eight states also exhibited a wide range of structural and behavioral characteristics. Legislatures in some states were constitutionally active, in session for half of the year. In other states, the legislatures were prohibited from meeting more than 100 days a year. Despite reapportionment requirements, legislators from agricultural areas continue to play an important leadership role in several of the legislatures. However, because of federally mandated changes through the Voting Rights Act, the composition

of some legislatures has changed over the past two decades (such as in Texas, Mississippi and South Carolina). In addition to increased diversity within the membership, in several cases the political system of the state has moved from a one-party system to increasing two-party conflict.

Divided government is a reality in a number of the states. Maine and South Carolina have Republican governors and both houses controlled by the Democrats. Kansas, Oregon, and Washington have Democratic governors and at least one legislative body in Republican hands. In some states, the divided government has led to a spirit of bipartisanship; in others it has been responsible for protracted conflict. In those states where the rural issues and rural population have been associated with one party or another; the support for rural development may be overwhelmed by partisanship.

During the past year, many of the states have been faced with problems stemming from the economic recession. Both legislatures and governors have been preoccupied with budget cuts; in some states, such as Maine, this has driven out other policy and program items. In addition, the post 1990 census redistricting decisions are an issue in several states (e.g. Mississippi and Kansas).

The role of local government: Some states in the project have very strong local governments while others do not. In this area, as in the case of legislative-gubernatorial authority, there is a constant struggle between the two sets of actors. Relationships between local and state agencies in Kansas are in flux; in Maine, local government is trying to achieve more fiscal autonomy from the state; and local governments in South Carolina are complaining about non-funded state mandates. By contrast, Washington state has an extremely strong system of local governments that has played an active role in the Council.

The role of substate regions: The level of involvement of substate regional entities within the eight states not only varies

between but within states. They are strong in Maine, relatively strong and active in Oregon, and variable in Mississippi. Regional councils were created for coordination of federal-state programs in South Dakota. Governmental fragmentation works against regional approaches in Texas.

The role of the private sector: Farm Bureau organizations in a number of the states have traditionally played an active role in rural issues (Kansas, Texas, and Mississippi). In addition, business organizations have been important in Kansas, Oregon, South Carolina, and South Dakota.

As this set of findings indicates, the governmental structure within a state sets the context for any rural development effort. While the governor of a state is an important point of contact, in many states support from that individual alone is not adequate.

Past Relationships and Efforts Related to Rural Development Issues

For a number of the Council states, the activities and goals of the effort were constructed upon past relationships and efforts related directly or indirectly to rural development. These past efforts involved relationships between federal and state agency actors; between various federal agencies; and efforts at the state level related to coordination, economic development and rural issues. Each Council was building on something that happened before; in each case, there was an identifiable and complex set of relationships and linkages that operated as an implicit (if not explicit) point of departure.

Federal-state relationships: Each of the eight states had some level of past activity involving both federal and state actors; however, the relationships were variable in terms of their intensity and the level of satisfaction with their outcomes. Kansas had very little communication or coordination between the two except for

HUD and the Department of Commerce; the relationship was characterized as "nervousness" between federal and state actors. Maine participants believe that they coordinate better than most states. This occurred through activities of the Governor's Committee on Rural Development in which people worked well together.

While Mississippi had a strong Office of Federal State Programs which fostered exchange between the two sets of actors related to social change, other federal actors were involved with state agencies in ways that supported the entrenched methods of carrying out programs. Oregon relationships were characterized as not hostile but federal environmental standards raised questions that were problematic to some in the state concerned about economic development.

South Carolina state officials viewed the federal agencies as useful resource providers, standard setters, and monitors. South Dakota was involved with a \$14 million Agricultural Enterprise Program fund that goes back to the federal Farm Credit Administration of the 1930s. Texas relationships indicated little meaningful cooperation because state agency discretion is viewed as so important. With the exception of social services, relationships between federal and state officials occur only if they are legislatively mandated or required to aggregate resources. There have been a number of instances of outright hostility because of federal discomfort with the past Agriculture Commissioner. By contrast, Washington state could point to significant past activity involving EDA, Farmers Home (working with the state Department of Community Development), HUD and HHS.

Federal-federal relationships: Federal agencies in some parts of the U.S. have a tradition of inter-agency cooperation. While more of these efforts have taken place in the human services field, there are also past activities more directly related to rural development. Kansas has a tradition of passive cooperation with no joint efforts. Mississippi federal agencies have worked

together through the Food and Agriculture Council as well as the Federal Executive Council in the state. Oregon federal agencies have good relationships but little direct interaction.

South Carolina federal agencies have worked together on specific projects; however, there is significant variation by agency. South Dakota cooperative efforts have focused on relationships between EDA and Indian reservations. Texas has had some history of cooperation on specific projects but limited programmatic cooperation. Legislative mandates and distinct constituencies impede further cooperation among federal agencies and programs and prevent broad approaches to issues. Regional office staff are often unavailable to work on cooperative efforts. Washington federal executives meet regularly and there is some encouragement of coordination; however, there is not a commitment to actually do things differently.

Past efforts at the state level related to coordination, economic development, and rural issues: Each of the states involved in the initiative had a legacy of past efforts that provided the specific backdrop for the Council activities. Some emphasized broad economic development strategies; others focused on specific problems of rural residents. A number of states could point to past studies and analyses calling for specific programmatic changes. In a few cases, these efforts led to policy change; in other instances, the problem diagnoses and program vision were clear but little had been done to devise an implementation strategy for them. All of the states must rely on anecdotal data to describe their outcomes. There is little that allows one to know what works and for what reason.

Kansas: Past activities centered on economic development strategies, articulating a balanced approach that includes new business, recruitment, and building up existing industry. Recommendations that emerged from a University of Kansas institute resulted in the legislative adoption of 46 out of 50 recommendations. A governor's Task Force on the Future of

Rural Communities issued a report and Kansas Inc. also developed an action plan.

Maine: A Governor's Committee on Rural Development was formed in 1979 that included both state and federal agency heads, elected officials, and local representatives from rural areas. This Committee was reactivated in 1988. In addition the state has devised a Job Opportunity Zone and an Economic Development Strategy Task Force. The state participated in the CGPA Academy in 1990; in addition, Maine Cooperative Extension is the recipient of a Kellogg leadership grant.

Mississippi: State activities that are related to this effort revolve around issues of race and social change as well as a decade long focus on educational reform. Mississippi was also a participant in the CGPA Academy. Previous efforts include a Workshop on Developing Policy for Revitalization of Rural Mississippi and a Special Task Force for Economic Development Planning that included attention to rural areas. The state Department of Economic and Community Development has been a major player in the state; CDBG is particularly active. In addition, there are foundation funded efforts involving health, Extension and community development.

Oregon: Since 1987 the state has been actively involved in economic development activities aimed at rural areas, particularly involving the timber industry. A strategic planning effort produced a document called "Oregon Shines" and a number of community-based initiatives continue. The state Economic Development Department has been a major actor in these areas. Extension within the state has been active but has not played a coordinating role.

South Carolina: Issues of state coordination are important and a Coordinating Council for Economic Development was formed to bring together 11 state agencies to set state policy for economic development. The State Development Board's Office of Rural and Community Development has focused on local capacity building as has the Rural Partnership (an effort where communities produce their own local economic action plan). The

state uses a problem specific approach. The CDBG has been an important resource in this effort.

South Dakota: While the state has not made any formal efforts at coordination for rural economic development, the general approach to the issues is well understood. Coordination in the state is informal and project or problem oriented. There is a CDBG set-aside to provide a Revolving Loan Fund for Communities.

Texas: In 1988, the legislature created a Rural Development Commission to survey conditions and make recommendations for rural Texas. The effort was viewed by some as a way of circumventing the authority of the elected Agriculture Commissioner and was staffed by the state Department of Commerce and the Extension Service. The report of the Commission, however, did look at issues broadly and thoroughly and its recommendations were viewed positively by a range of groups. The need for a more holistic approach to rural development has been acknowledged. CDBG, EDA and SBA have been important elements of coordination in the past. There has also been a significant effort by the state to address health and human services coordination.

Washington: Since 1981, economic development and diversification, workforce retraining and community development in rural areas have been emphasized by the state. The Economic Development Board was created in 1985, charged with the development of a long term economic development strategy for the state. While not implemented, it established a vision of change. In 1990 a Service Delivery Task Force was created by the legislature to develop a more cohesive approach to programs in rural areas. Legislation in 1991 will focus on economic development efforts in timber-dependent rural areas.

Membership on the Council and Governance Rules

Models of membership: Two models of membership are illustrated by the actions of the eight Council states. Most of the states chose an *inclusive* approach to membership, reaching out to individuals and groups with even a tangential interest in rural development issues. Several, however, have chosen an *exclusive* approach, limiting membership based on level of authority, sector or direct involvement with rural economic development issues. The states that were more inclusive in their approach had what was essentially an open door to membership; while participation may or may not have occurred through a formal invitation, the burden of proof was on the invited individual to refuse.

Of the participating states, Washington was the most inclusive. Anyone who showed up at a meeting was considered a member of the Council. Kansas, Maine, Mississippi, and Oregon were quite expansive in their approach to membership (although they may not have begun their activity with that approach in mind). In Mississippi, for example, the original view of a small council was discarded in favor of a more inclusive model. Oregon defined its membership criteria as anyone interested in rural development, holding a policy level position, and having time and willingness to serve.

By contrast, the South Carolina Council was defined as an exclusive enterprise, tied to the governor's economic agenda and limited to agencies with a strong not tangential interest in rural economic development. In South Dakota membership was limited to high level people who were at cabinet rank within the state, top federal officials dealing with the state, or heads of associations.

The Texas Council is the only one of the eight state efforts that has maintained the original view that only federal officials can serve as full members of the Council; state and local officials are designated as affiliate members. While there is the expected negative reaction to this junior partner status, participation by state and (to a lesser extent) local officials in the various activities of the group (particularly through the committee structure) is very broad.

Formation of Councils: All of the eight state Councils were organized through the activity of the state director for the Farmers Home Administration, responding to the directive from Washington. States varied, however, in terms of the extent of participation in the formation of the Councils by other federal agencies and by representatives of the governor's office. In some cases, the Farmers Home official simply triggered the session, organized a steering committee and allowed the process to unfold. In other instances, that individual continued to play a leadership role, serving as chair, another officer, or as a member of the executive committee. The South Dakota Farmers Home official, for example, was the former Secretary of Agriculture and a member of the state legislature and was a logical leader in the effort.

If a logical set of individuals was available to become involved (for example, the federal and state co-chairs of the governor's committee in Maine), the federal role became a collaborative enterprise. However, the involvement of the governor or the governor's office in the initiative was variable. The interest of the South Carolina governor in the project created a joint effort from the early stages of the operation. In other cases, the steering committee included some state representation but was heavily drawn from federal ranks (this was true in Kansas and Mississippi). The Texas Farmers Home official exercised substantial control over the formation of the Council, including the early acceptance of by-laws and defined the effort as principally a process to encourage cooperation among federal agencies.

Executive Committee: Most of the states have established executive committees that are charged with the major governance role in the project. The executive committees range in size from 5 individuals to 30 members. Some of the positions on the executive committee are designated by specific constituency while others are relatively open to whomever is interested in participating. Several states differentiate between federal, state and at large positions. Washington state has designated six

constituency groups for the effort; its executive committee of 30 members is composed of five members each from the federal government, state government, local government, local-nonprofit, tribal government and private sectors.

EXECUTIVE COMMITTEE MEMBERSHIP

<u>State</u>	<u>Size of Exec. Committee</u>	<u>Composition</u>
Kansas	11 members	4 feds, 4 state, 3 at large (now drawn from the private sector).
Maine	12 members	2 feds, 2 state, 1 regional, 1 local, 6 at large (not representing the above)
Mississippi	10 members	4 officers, past chair, executive director and 4 others
Oregon	9 members	Chair and Ex Dir (feds), 4 other feds, 1 state, 1 county, 1 private
South Carolina*	12 members	4 feds, 2 state, 2 local, 2 private, 1 COG, 1 nonprofit
South Dakota	5 members	Chair and vice chair, Extension, Sec of Labor and Ex Director
Texas	7 members	All feds
Washington	30 members	6 constituencies with 5 members each: feds, state, local, local nonprofit, tribal, private sector

* In draft bylaws at time of writing.

Full Council Membership: The largest of the eight Councils is in Washington with over 175 members while the smallest Council is in South Carolina with 41 members. In no state except Texas does the federal representation on the Council reach 50% of membership. And if one counts the affiliate members from Texas, the federal officials make up less than 50% of that group. In some states, the great majority of the federal representatives live in the state; in others, they must come to the sessions from federal regional or field offices. The representation of local government, nonprofits and the private sector varies from state to state.

COUNCIL MEMBERSHIP

<i>State</i>	<i>Feds</i>	<i>State</i>	<i>Other</i>
<i>Kansas</i> 49 members	21 feds (12 from regional govt assoc offices)	15 state	2 local, 11 private sector
<i>Maine</i> 113 members	33 federal (14 regional or field offices)	28 state,	40 at large, 6 local, 6 regional
<i>Mississippi</i> 50 but expected to go up to 100	(core is 26 federal or state) 2 regional office		
<i>Oregon</i> 49 members	21 federal	10 state	local, business, nonprofit, others
<i>South Carolina</i> 41 members	14 federal	17 state	10 other
<i>South Dakota</i> 45 members	19 federal (5 in regional offices)	13 state	13 assoc execs
<i>Texas</i> 72 members	35 federal (13 USDA)	22 state	15 private
<i>Washington</i> 175 members	21 federal	36 state	118 tribal, local, nonprofit, private

Council Chairs: Three of the states have decided to establish co-chairs for their process, structuring equal division between federal and state representation. Co-chairs are found in Kansas, Maine and South Carolina. The Kansas Council has specified that the state co-chair must be the Secretary of the

Kansas Department of Commerce. All of the other five states have federal chairs.

Federal and state agencies/ departments missing from the process: Informants identified several federal and state agencies that appeared to be relevant to the Council process but were not found among the participants. Although the specific "missing" actors varied by state, some patterns were identifiable. Federal representation from HUD and ASCS was problematic; in some cases, the Council was told that representatives from these agencies were specifically told not to participate yet individuals from these agencies were involved in other states. Variable participation patterns were found with VA and EPA officials.

At the state level, three categories of program areas were under or unrepresented: the legislative branch, the human services agencies, and the range of agencies in public education (including elementary and secondary education, community colleges, and other colleges and universities).

Council Members -- Reasons for Involvement: State and federal participants in the Councils had somewhat different reasons for involvement in the process. Most federal officials came to the project because they were assigned to the task by their Washington-based or regional office superiors. Although many of them found that the task was more interesting and useful than they had expected, their original motivation was defined by their jobs. State officials, on the other hand, had more complicated reasons for participating. Some did come to the meetings because they were assigned to the task. Others believed that the Council would provide an opportunity to make the rural development process work more effectively. Whatever the motivation, many participants found the process to be extremely useful in making contacts with individuals with whom they had not worked in the past. A few officials treated the assignment as a form of "damage control," making sure that the process travelled what they believed to be a "sensible" route. In these cases, officials participated in the

Council as a way of protecting their own agency turf. In a few cases, the participants believed that the process would put them in contact with potential resources. At least one Council had participants who saw the process as a way of identifying federal barriers to rural development and, from that, reducing those obstacles.

Objectives and Goals: Participants in each of the states defined their own objectives for the Council. A partial listing follows:

Kansas: Minimize negative impact of conflicting rules and regulations by state and feds. Build an element of confidence and trust. Interdepartmental cooperation and networking a shared goal. Not as much measurable success as would like, haven't yet reached agreement on how to define success. Could be the assessment of effectiveness of individual administrators and agencies. Create working relationships, Feds respond to national mandate; states want to know if can get increased federal monies targeted for Kansas.

Maine: Internal process goals: work together, minimize conflict, develop new partnerships, provide a think tank atmosphere. External process goals: respond to local initiatives, build local capacity, develop a new rural development paradigm, alter own decisions, change resource allocation decisions for own agency.

Mississippi: RDA sounding board; target our own money; create new networks, don't have high expectations, power struggle, avoid reinventing the wheel.

Oregon: Just another federal process show. See it as an educational mission to inform people about rural areas. Taking a show me attitude. Feel has tremendous potential. Networking important, more effective use of resources. Evaluated in terms of plan and accomplishment of goals, provide assistance to communities and communities come to us, identify problems and resources, new modes of collaboration.

South Carolina: Three goals: serve to coordinate rural development in state; identify ways to use federal funds; actively seek changes in federal policy. Communication important to those concerned about coordination.

South Dakota: Change agency orientation toward more rural development, improvement in relations, want a demonstration project successfully carried through completion. Changes in state agencies as well as feds.

Texas: Despite political divisiveness has optimism, sense that new state administration might make a difference, new rural agenda in state. Few individuals hold very high expectations, at best think it will coordinate efforts -- focus on project implementation not on policy development.

Washington: Mixed hope, moderate enthusiasm, skepticism. State: broader than economic development. Local nonprofits: broadening the base to involve others. Local government: accept diversity of localities. Tribals: building networks. Federal: can feds actually coordinate -- not just come up with ideas but implement them.

Mission Statements: The first task confronted by the Councils (responding to what they thought was a requirement by the Washington project staff) was the development of mission statements. Three of the states effectively used the template that was provided by the national staff and, with minimal modifications, simply inserted the name of the appropriate state (Kansas, South Dakota and Texas). South Carolina used another document prepared by the national staff. The other states developed language that reflected their own agenda and specific approach to the effort.

Staff of the Council

The design of the Councils called for the selection of an executive director for each state. All of the states but Texas have functioning executive directors (and Texas expects to have one in place by September 1, 1991). The individuals who serve in those positions come from variable backgrounds, skills and have approached the task somewhat differently.

Two of the individuals who serve in the capacity had been directly involved in the conceptualization of the Councils through participation in the Rural Initiative's Monday Management group. The Mississippi individual represented EDA in the effort while the South Carolina staffer came to the assignment through his work on rural transportation issues in the Department of Transportation. The Kansas, Maine, and Washington Executive Directors had expertise and knowledge of rural issues within their respective states. The South Dakota individual had expertise in the economic development field while the Oregon staffer was knowledgeable about forestry issues.

Most of the executive directors had past experience and demonstrated skill in designing and running collaborative efforts that involved multiple agencies and individuals with diverse interests. Three of the executive directors were chosen, at least in part, because of their experience with both federal and state issues.

Three of the executive directors were career federal employees: Kansas from the Soil Conservation Service, Oregon from the Forest Service, and South Carolina from the U.S. Department of Transportation. One individual (from Mississippi) had been a political appointee in EDA. The other three individuals were state people: the Maine individual had worked with a Native American tribe, South Dakota with the State Office of Economic Development, and Washington with the state Department of Community Development.

The method of selection of the directors also varied. Some of the selection processes took place in Washington, D.C. while others involved formal processes of selection (advertising,

reviewing applications, and interviewing). The Mississippi, Oregon and South Carolina Directors were chosen by the national group and came into the state with little or no involvement of the Council. The Mississippi individual was selected even before the Council's initial meeting was held in November. In several cases the individual was chosen because a particular federal agency was willing to pay the salary.

State Council people were directly involved in the selection in Kansas, Maine, South Dakota and Washington. Washington's selection process was defined within the state, reflecting the concern that the individual be able to work with local government and the diverse constituency groups within the Council as well as federal and state agency people. Most of the executive directors were chosen early in the year and began work sometime before April. Texas, however, still does not have an executive director because of a conflict between federal and state actors. Although an available position has been designated by the Farmers Home Administration, the delay in filling it is linked to a deliberate strategy to assess the extent of commitment before making a selection decision.

Executive directors varied in terms of their personal definition of job responsibilities. Some staffers saw their role as the providers of staff support to the Council and the executive committee and to work with the Council to build commitment. Several directors focused on their role as "honest brokers," working with both state and federal members, not favoring either and emphasizing a role as a facilitator. In one case, the Director stressed his role as the liaison between the Council and the initiative staff in Washington. One Director also emphasized the substantive agenda of the effort and believed that his job responsibility was to push the system "to revolutionize the process." By contrast, the Director in the state of Washington conceptualized his role as one of operating from consensus positions taken by the Council and the executive committee.

Three of the executive directors worked out of the state economic development department offices (South Carolina,

Oregon, and Kansas) while two operated out of other state government offices (South Dakota and Washington). Two of the directors (Maine and Mississippi) had offices in facilities of the Extension Service but the Mississippi office is moving to the headquarters of the Farm Bureau. Two of the directors were not housed in offices in the state capitol; in both cases alternatives were devised to deal with that distance. The Maine Director had two offices, one in the state capitol and one at the University where Extension was located. The Mississippi office was moved from an Extension office 20 miles outside of Jackson to the capitol city. Although the Texas Council did not have an executive director at the time of this writing, it has been staffed by the Farmers Home Administration; in July a director of special projects was named, on loan from the U.S. Forest Service. The staff will work out of space provided by GSA.

Most of the Councils found the level of resources available to them to be inadequate. Several of the groups received some secretarial support but additional funds were needed in most of the Councils to pay for the support services required for the activities that were planned. In at least one case, an assessment policy was devised to garner funds from participating agencies.

Most of the states had good relationships with their federal monitors but the level of involvement and attendance at meetings by monitors varied across the Councils and has diminished somewhat as the Councils started articulating their own missions.

Meetings

As the Councils have developed, many of them have devised a format that emphasizes the role of the executive committee in the governance process. In several cases, this format has changed the type and frequency of Council meetings. Mississippi, Oregon, and South Carolina do have frequent and regular Council meetings (e.g. every month or six weeks). Kansas, South Dakota and Washington have less frequent Council meetings. In Kansas,

Maine, Mississippi and South Dakota, the executive committee meets regularly, sometimes in preparation for Council meetings and sometimes independently. Maine has had only two Council meetings. Texas has an all-federal executive committee with quarterly meetings planned for both the Council and the executive committee.

In addition, several states have emphasized the role of specialized committees in the governance process. In Mississippi and Texas much of the work has been done by committees which meet regularly. This is particularly important in Texas because the committees do have federal and state co-chairs.

Meeting agendas for the Councils are usually determined by interaction between the executive committee and the executive director. In no case does the executive director make this determination alone. Several Councils structure their meetings through predictable committee reports and -- in at least one case-- from suggestions from the members.

The decision rules that govern the process tend to be on the informal side. Most decisions that are made within the Councils occur through a consensus process; votes are rare. In many ways, the Councils have operated more as networks of individuals than as formal organizations. Although more than half of the states have by-laws, these formal expressions have had very little impact on the way that the group operates. In South Carolina, the by-laws were invoked to determine who could vote on issues. By contrast, Washington decided that it did not need by-laws to effectively conduct Council business.

The Council's Agenda

Changing the design. According to the original design of the initiative, by the end of the summer the eight Councils would have completed a substantive strategic plan for their activities. This, however, turned out to be an unrealistic design element for

several reasons. All of these contributed to the increased complexity of the initiative.

First, the original design did not devise an equal governance role for state participants; while they were to be involved, the representatives of a variety of federal agencies were viewed as the major actors. The decision to treat state players as equal partners complicated the process. And in at least one state -- Washington -- the span of players was broadened even further.

Second, the organizational template that was perceived to be devised by the national project planners did not "fit" all of the states.* As a result, decisions related to membership and organizational structure had to be worked out for each state. In some cases, these organizational matters became surrogate issues for substantive differences between various players. States often found that the players that should be at the table in their locations were very different than the cast of characters that emerged as a result of the national program design. In some respects, the federal actors had sought "clones" of themselves, defined from a federal reality, rather than a group of players who made sense from the state reality. Although the Councils eventually identified most of these players, it was a time consuming effort.

Third, the federal role and agenda involving the project seemed to be both changing and less than clear. The original mandate for the effort, focused on changes in federal policy structure and requirements, appeared to recede over time. The design of the effort emphasized flexibility for the Councils to develop their own substantive agenda but the procedural requirements that were imposed (requirements for developing a needs assessment, a resource inventory, a strategic plan, and an implementation plan) tended to evoke a compliance behavior on the part of some of the Councils. By the end of the summer, the Councils had imposed their own agenda on the process and the

* Although the national project planners were committed to flexibility in the effort, the states did not always perceive that the Washington-based staff was open to significant variation among the states.

federal vision was significantly less important than it had been at the outset of the effort.

Many Council members were concerned about the level of resources that was available to the activity both in the short run and in the long run. This uncertainty about resources was a major problem both for federal and state players. The relationship between this activity and the plans for the Rural Development Administration was not clear and this was a concern to many of them.

The role of a Council. As states defined their own activities and relationships, they confronted very different views about the appropriate role of a Council. For some, the Council was a vehicle for communication and coordination; it would act as a facilitator without a policy agenda of its own. These states emphasized the network quality of the Council activity. For others, the Council's reason for being was to serve as a change agent and force, enforce or recommend policy change. Some states emphasized the role of capacity building, others of empowerment, and still others of providing support to others within the state.

In some states, it was difficult to determine which Council role was to be emphasized: that of a *planner* or an *implementor*. If a planner, then the Council could determine whether it wanted to devise a vision or grand plan of change or an incremental, building block approach. If an implementor, the Council could be viewed as a temporary organization or an effort with a long term life of its own. For some Councils, the longer term agenda might call for it to carry out programs, conduct pilot or demonstration efforts, do casework for specific groups or communities within the state, provide information and resources on a longer term basis, and actually allocate resources. A number of states emphasized the potential role of the Council as the provider of data and the place which would inventory existing resources. In at least one state, the Council was perceived to be a stalking horse for a new agency.

Issues of concern. Several issues were raised in more than one state that affected the development of the Councils.

- There was dispute about the appropriate level of individuals participating in the deliberations. Some states limited the participation to top level individuals, others sought program staff, others were faced with a revolving group of participants as designees were sent for regular members.
- A number of states were experiencing political instability, either because of electoral changes or controversy about other issues. The Council activity could not be separated from these issues and participants came into the sessions with other agendas and issues before them.
- The activity in several states reflected the strong interest of the governor; in other states, the governor was not really interested in the Council initiative. In the latter case, it is difficult to gain attention and support from state actors.
- States came to this activity with varying levels of past experience and sophistication about rural issues, economic development or community development. This experience served as a backdrop or threshold for the Council activities. Some states and state agencies had a long tradition of work in this area while others learned about the problems and possibilities for the first time.

The substantive agenda. Because the organizing activity was so complex and time consuming, few (if any) of the Councils have a well developed substantive agenda. However, Councils have made some choices in the way that they have approached their activities and defined their mission that suggest some patterns.

Scope of interest. Although the Councils were conceptualized as *rural economic* development entities, many of them have broadened their mission to approach the issue as *rural* development. This has occurred because the Council participants -- either through the Council process or as a result of other activity undertaken earlier -- have found that while economic development is important, it is not sufficient. Broadening the mission means that Councils look at community development issues, infrastructure, and human services as well as methods to stimulate economic growth in rural communities. Even those states which still define themselves as *rural economic* development groups have broadened their views beyond the traditional smokestack chasing, recruitment strategy.

One other variable that has emerged among the eight states has to do with the relationship between rural and non rural issues. In some states, it is useful to emphasize the rural identification, both in terms of problem identification and development of strategies for solutions. In states such as South Dakota and Kansas, this has resonated with other activities within the state. Other states, however, have found it more helpful to de-emphasize the rural identification and have, instead, focused on specific problem areas that might elicit support from both rural and non-rural constituencies.

Local communities. Because states had very different historical and structural relationships with their local governments, Councils were not always clear about the appropriate way to deal with local communities and local governments. Although most of the states acknowledged the importance of grassroots efforts, the state approach to them was not always obvious. In some states, such as Washington, there was a confluence of the problem, political support and past state efforts; as a result, the local perspective became the point of departure, the place where the vision of change begins. And in some states, much of the cooperation and coordination of the past is related to local initiatives (e.g. EDA, SBA, CDBG). Other states emphasized the

state role and the state potential for change and, as a result, de-emphasized local issues. In several states, the emphasis on leadership development in rural areas is a way of dealing with local issues.

The role of agriculture. One of the motivating factors in the creation of the Councils was the uncoupling of the rural sector from issues related to agriculture. Ironically, despite the resources and interest in this process in USDA, there is a sense that agriculture issues within the states have had minimal attention from the Councils. Although some agricultural representatives have been involved from both state bureaucracies and farm organizations (as well as federal agencies), they play a very limited role and, as a result, little attention has been placed on agriculture issues.

The private sector. Private sector representatives have been involved in some way in all of the states. However, they vary in their impact on the discussion and agenda development. Many states have sought participation from public utilities and bankers; few of these participants, however, play a leadership role.

Participation in National Training Programs

The Institutes in New Orleans and San Diego that were run for the Council members by the University of Wisconsin did not evoke an enthusiastic response from the participants. Several did note that the meetings provided an opportunity for the Council membership to get to know each other, to discuss issues and set the ground work for a collaborative approach. However, members were critical of a number of aspects about the meetings.

- *Location.* State officials especially found it hard to justify a trip to what is viewed as an urban and tourist location.

- *Timing.* Some states were in the middle of budget crises and legislative sessions. They found it hard to leave the state during the scheduled period of the Institute.
- *Curriculum and course content.* Respondents were not happy with the content of the institutes. For some, the sessions were too elementary; for others, they represented too much new material at one time.
- *Mode of instruction.* The most telling criticism of the institutes focused on the mode of instruction used. The lecture style and a didactic approach seemed to many participants to be inappropriate for a group of individuals who were engaged in an interactive process that took a unique turn in each state. As one individual put it, "the sessions were tedious, boring and repetitive."

Future Plans

By the end of the summer of 1991, all of the Councils will have completed their own second institutes. For most of the groups, these multi-day sessions within the state were structured to provide time and opportunity for the Council to move forward in its program plans. Some of the sessions were dedicated to the strategic planning process. Others focused on the development of by-laws. Still others used the session as an opportunity to define the demonstration projects sponsored by the Council.