DEMOGRAPHIC ASPECTS OF THE CHANGING RURAL LABOR FORCE

An Issue Brief

Daniel T. Lichter

Department of Sociology
and
Population Issues Research Center
Institute for Policy Research and Evaluation
Pennsylvania State University
University Park, PA 16802

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INTRODUCTION

These are pessimistic times for rural America. The current economic outlook stands in sharp contrast to the optimism of the 1970s when nonmetropolitan areas experienced an unprecedented revival in population and employment growth (Fuguitt 1985). The hopes of the 1970s were short-lived. The 1980s brought a new economic reality that included the most severe recession of the post-war period, a lingering "farm crisis," increased global competition in the marketplace, and a restoration of historic patterns of rural outmigration and slow employment growth. While metropolitan areas successfully recovered from the recession of the early 1980s, rural areas have languished behind. The economic future of rural America today lies in the balance.

Much of the current economic uncertainty resides in the sectoral transformation of the national and international economy. Rural areas have become less dependent on agriculture and their industrial base is considerably more diversified than in the past. This means that rural workers today are more vulnerable than in the past to national cyclical trends in the economy, technological change, and international competition for product markets (Flora 1990). Indeed, rural workers have not been immune to the economic effects of deindustrialization (especially plant closings) and industrial restructuring. Rural labor markets continue to lose low-skill jobs in the production sector to overseas markets. As a result, employment growth in the extractive (e.g., agriculture, mining, and timber) and manufacturing sectors stagnated during the 1980s, while new job growth is increasingly tied to the low-wage service sector. These changes have coincided with the apparent halt to the decades-long convergence in economic well-being between metro and nonmetro areas. Scholarly and media attention today is increasingly drawn to the economic problems of the urban "underclass" (Wilson 1987), but rural people in the aggregate actually fell further behind metro people during the 1980s on several important economic indicators (e.g., unemployment and income).

Recent and projected demographic changes also pose additional challenges and provide new opportunities for rural public policy and economic development. For example, much of the rapid labor force growth in the 1970s, both in rural and urban areas, was due to the large baby boom cohort reaching working age and entering the workforce for the first time. The next decade or so will be a period of much slower employment growth, as the numerically smaller baby-bust cohorts of the 1970s reach adulthood (Fullerton 1989). The continuing entry of women and minorities into the workplace also implies a more demographically heterogenous labor force in the future, one with diverse skills and needs that raise important questions about equity, worker productivity, and poverty. Finally, many of the institutions that enhanced or supported economic well-being in the past, such as a families that stayed together and schools that educated, have undergone rapid and sometimes troubling changes.

Current demographic trends are broad-based and rural places and people face the same challenges that now confront the entire nation as it moves toward the 21st century. The rural labor force is at a crossroads. A basic goal here is to give some direction to future demographic research on the rural labor force. Specifically, this report: (1) highlights and synthesizes our current knowledge of recent labor force and employment trends, particularly for the 1980s; and (2) proposes a modest agenda for rural labor force research in the 1990s.

RURAL LABOR FORCE CHANGE IN RECENT PERSPECTIVE: SOME FACTS

Understanding current rural labor force trends helps us to clarify research priorities and to formulate effective policy for the future. It is clear that the decade of 1980s was one in which longstanding patterns of economic disadvantage among rural people were maintained and sometimes reinforced. Some examples include:

(1) Employment growth was much slower in nonmetro than metro areas throughout most of the 1980s. However, recent data suggests some relative improvement in the rural employment situation. For the 1988-89 period, nonmetro employment increased by 3.7 percent, compared with 1.6 percent in metro areas (U.S. Department of Agriculture 1990). Whether this growth differential will continue into the 1990s is unclear.

(2) Employment growth rates among nonmetro racial minorities and women exceeded those of whites and men during the 1980s. For example, among nonmetro blacks, employment increased 4.2 percent during 1988-89, compared with 10.3 percent among Hispanics and 3.5 percent among whites. Employment growth rates were 4.7 percent and 2.9 percent among nonmetro women and men, respectively (U.S. Department of Agriculture 1990).

(3) For much of the 1970s, the nonmetro unemployment rates were lower than metro rates. In contrast, nonmetro unemployment rates were roughly 1-2 percentage points higher than the metro unemployment rates during the 1980s. In 1989, for example, about 5.7 percent of the nonmetro labor force---over 26 million workers---were unemployed. The metro unemployment rate was 5.2 percent (U.S. Department of Agriculture 1990). Since 1989, unemployment rates have increased again in both metro and nonmetro areas.

(4) Levels of underemployment, including unemployment, involuntary part-time work, and the "working poor," were substantially higher in nonmetro than metro areas during the 1980s (Lichter 1987). Bird (1990) estimated that 20.4 percent of nonmetro men in 1987 were underemployed, compared with 13.8 percent of metro men. The metro-nonmetro underemployment difference was even greater among women (i.e., 27.9 vs. 16.9 percent).

(5) Over the 1973-87 period, nonmetro per capita income declined from 78 to 73 percent of metro per capita income (Reid and Frederick 1990). Much of this decline was due to stagnating real wage growth among nonmetro workers. Between 1982 and 1987, real earnings (in 1987 dollars) declined slightly from $16,823 to $16,738 (U.S. Department of Agriculture 1990). Nonmetro earnings lagged metro earnings in all major industrial categories

in 1987.

(6) After peaking at about 18.5 percent during the 1983-86 period, poverty rates slowly declined in nonmetro areas during the late 1980s. In 1988, poverty rates were 16 percent in nonmetro areas, compared with about 12 percent in metro areas (Reid and Frederick 1990). Moreover, a significantly larger share of nonmetro poor families than metro poor families contain at least one employed household member. Working poverty is disproportionately represented in nonmetro labor markets (Tickamyer and Duncan 1991).

(7) The industrial restructuring of the nonmetropolitan economy continued apace between 1979 and 1987 (U.S. Department of Agriculture 1990). Goods-producing industries, including farming and mining, declined as a share of all employment from 39.5 percent to 34.5 percent during this period. Even the share of manufacturing employment declined from 19.5 percent to 17.3 percent. Conversely, service-producing industries increased from 60.5 to 65.5 percent during 1979-87 (U.S. Department of Agriculture 1990). Much of the increase was due to growth in low-wage consumer service industries rather than in producer services (e.g., finance, insurance, real estate).

The economic welfare of rural people and places---as measured in jobs, earnings, and poverty---is inextricably linked to the labor force. Indeed, the "facts" above underscore the continuing significance of recent labor force change in the individual lives of rural workers and their families. The economic facts of today also give direction to an agenda for rural research and policy in the 1990s and beyond.

A RESEARCH AGENDA FOR THE 1990s: FIVE AXES FOR DEBATE

Policy initiatives and research in the 1990s will emerge in large part from rival interpretations of statistical evidence from the recent past. Current population shifts and projected demographic changes in the labor force will undoubtedly provide a backdrop for much of the debate. Listed below are five axes for discussion and debate, which will likely give direction to future demographic and policy research on the rural labor force.

(1) **Quality of Jobs vs. Quality of Workers.** Industrial restructuring will not abate in the 1990s as the United States moves to a "post-industrial" service economy. Continuing sectoral change has important implications for both the quality of jobs and the quality of workers. Has industrial change "degraded" jobs (e.g., de-skilling and more part-time work) or has it increased the demand for highly-skilled labor at the expense of the least skilled and educated?

- **A guiding question for future research is whether the economic fate of rural people and places is tied primarily to the declining "quality of jobs," or instead resides in the low and declining "quality of workers" in rural areas.**

The pessimistic view is that industrial restructuring has coincided with a shift from "good jobs" to "bad jobs" (e.g., Bluestone and Harrison 1988). Declines in the goods-producing sector are being replaced with new jobs in the low-wage service sectors (e.g., the archtypical "flipping hamburgers" in fast-food restaurants). Rural workers are especially vulnerable to these sectoral shifts, primarily because the industrial base of nonmetro labor markets is disproportionately comprised of low-wage production jobs. These are often "bottom-of-cycle" jobs (e.g., textiles and apparel), with routinized production techniques that depend primarily on low- or semi-skilled machine operators and laborers (Bloomquist 1987). Indeed, the educational requirements of jobs in the rural sector are on average lower than those of urban jobs (McGranahan and Ghelfi 1991). These are the jobs that face the greatest threat from cheap labor overseas. International competition in the labor market also presumably drives down worker wages (e.g., through wage concessions or two-tiered wage structures), reduces fringe benefits (including health insurance), and increases part-time employment or other "contingent" work. The implication, of course, is that the least skilled in nonmetro labor markets are at greatest risk of job displacement, extended periods of unemployment, and underemployment.

- **A priority policy research issue in the next decade will be to identify those rural population groups (and communities) most affected by industrial change and competition in the national and international labor market. What are the characteristics of the displaced? How long are they without work? What kinds of jobs do they take upon labor force re-entry? How do earnings compare to earnings from the previous job? And what are the routes (e.g., migration) through which rural workers escape employment hardship (including unemployment, low-paying employment, and participation in the informal economy)?**

These are critical policy questions in a period of deindustrialization, slowing employment growth, and fluctuating unemployment rates. Indeed, Swaim (1990) found that the duration of unemployment among displaced rural workers was substantially longer than that experienced by metro workers.

The apparent changes in the "quality" of jobs obviously increase the need to better conceptualize the multiple dimensions of work. This is not a new idea (see Tweeten 1982). It is one, however, that takes on new urgency during the current period of fiscal austerity, when the accurate programmatic targeting of the most disadvantaged people and places is essential (Reeder 1990). The sole reliance on employment, unemployment, or earnings as indicators of rural labor market performance may be inappropriate or even misleading in a changing economy. For example, using the **Labor Utilization Framework** (Clogg 1978), Lichter (1987) showed that unemployment rates misrepresented the seriousness of employment hardship in rural areas. Others have drawn similar conclusions (Bird 1990; Tigges and Tootle 1990). Rural underemployment rates (which include involuntary part-time employment, low-wage employment, and schooling-occupation mismatches) greatly exceed rural unemployment rates.

- **Future rural research should evaluate the multiple economic**

and noneconomic dimensions of labor force experiences and outcomes. Conventional indicators of labor force performance or labor supply/demand (e.g., unemployment) should be supplemented with measures of underemployment---broadly conceived---which can be routinely included in on-going labor force surveys.

But the development and increasing use of underemployment indicators is only a start. There must be greater sensitivity to other dimensions of work. For example, fringe benefits, including health care insurance and retirement pension programs, are especially important because they directly affect the current and future economic well-being of rural workers and their families. Noneconomic aspects of jobs also play a role in workers' well-being. How do we measure job security, job satisfaction, automony and authority in the workplace, dangerous or hazardous work, and occupational status (Rosenthal 1990)? It may be these work dimensions that increasingly differentiate rural from urban workers during the current period of rapid labor force change. What constitutes a "good" job in a rural labor market area?

Clearly, the changing quality of rural employment is an important policy concern. But others emphasize that worker skills are inadequate or otherwise ill-suited to the labor demands of a changing rural economy. To be sure, industrial restructuring and technological change in the workplace has increased the literacy and numeracy requirements of many jobs. The ability to communicate well, to work effectively in groups, and to acquire "flexible" cognitive skills also will be required of American workers in an ever-changing work environment. The demand for highly skilled and educated labor will undoubtedly increase during the next decade, but the magnitude of this increase has been the subject of considerable recent debate (Michel and Teixeira 1990; Johnston and Packer 1987). A key question for the future is whether the supply of skilled rural workers will meet this changing demand. Have the job skills of the aging baby boom cohort been made increasingly obsolete in a changing economy? And will the pool of human resources be sufficiently "replenished" by the numerically smaller baby-bust cohorts?

Although the schooling levels of nonmetro workers increased substantially over the past several decades, rural workers continue to lag metro workers in educational and technical skills (McGranahan and Ghelfi 1991). In 1987, the mean educational level in nonmetro areas was 12.6 years percent, compared with 13.6 years in metro areas (among those aged 25 and above). Moreover, rural areas have higher drop-out rates and adult illiteracy rates than do metro areas. This educational gap places rural workers at an economic disadvantage. Indeed, the conventional wisdom is that educational deficits also make rural labor markets less attractive destinations for corporate relocation and for branch plant expansion (cf., Killian and Parker 1991).

- **A priority issue will be to evaluate the changing role of education (or lack thereof) in the socioeconomic and occupational attainment of rural workers and in the economic vitality of rural places. Are "good" jobs available for the highly skilled and do increasing**

supplies of highly educated workers contribute to the economic development potential of rural labor markets?

It seems increasingly clear, at least at the national level, that the earnings gap between the least and most educated workers has grown larger (Ryscavage and Henle 1990). The least educated have increasingly fallen behind economically, and this gap seems unlikely to narrow as the economy changes. How have earnings "returns" to rural education changed? Recent work by McLaughlin and Perman (1991) suggested that metro-nonmetro earnings differences are due primarily to metro-nonmetro differences in "returns" rather than to differences in human capital endowments. Such findings indicate a need to better understand how actual (and perceived) "returns" to education and training affect individual and community investments in education and training. In this regard, special attention should be paid to the schooling decisions of adolescents and young adults.

- **Research in the 1990s also should focus attention on the "forgotten half" (William T. Grant Commission 1988), the roughly 50 percent of young adults who cannot or will not pursue additional post-high school education. What are the factors that affect the transition to post-secondary schooling? And to what extent are young high school graduates in rural areas successfully making the transition from school to work?**

These are important questions because school-work transitions today will affect the "quality" of the rural labor force in the future. Are rural children being adequately prepared for the kinds of jobs available in rural areas (or even urban areas)? Is the transition from school to work marked by erratic employment experiences that leave permanent economic or social "scars" that are reflected in lower earnings and poverty in later adulthood? Obviously, different answers to these questions imply different economic futures for rural America.

Part of the problem affecting public support of additional investments in rural education and adult literacy or training programs is demographic. Rural communities in the late 1980s continued to lose their most highly educated---the "best and brightest"---to outmigration (Lichter, McLaughlin, and Cornwell 1992). This brain drain from rural areas creates obvious disincentives for community investments in education and training programs. An educated labor force is a public good. Policy debates in the 1990's must therefore center on whether the financial burden of education should be shifted away from local rural communities to the state or federal level. Equity considerations must be balanced against issues of local autonomy.

- **Research in the 1990s should evaluate whether current funding practices deny rural children assess to a quality education and a pathway to a "good" job?**

(2) Equity vs. Productivity. A slowdown in job growth in the 1990s (Fullerton 1989) or even a labor shortage (Johnston and Parker 1987) could benefit women and minorities, particularly if employers draw deeper into the employment queue. To be sure, increasing demographic heterogeneity in

the national (and rural) workforce will heighten longstanding concerns about fairness and equity in pay and job mobility. If racial minorities and women comprise an increasing share of the future labor force---even in rural areas---to what extent will these demographic groups become economically integrated into the workforce? Can earnings and occupational equality across demographic groups be achieved---and at what price?

Alternatively, does increasing demographic heterogeneity in the labor force imply a less competitive workforce, especially if minority or female workers have fewer occupational skills (e.g., technical training), less work-related experience, or less relevant on-the-job training? For a variety of reasons (including overt discrimination), racial minorities---especially blacks in the rural South---have lower than average educational levels and few marketable skills. They also continue to attend poor and often inferior schools. If rural worker productivity and standards of living are to be enhanced, it will require a new commitment to quality education and economic opportunity for all people. Technological change may be central to future productivity gains, but it seems clear that worker productivity gains also will hinge on eliminating any existing employment or educational barriers for women and minority groups.

- **Studies of the labor market experiences of rural women and racial minorities will be especially important in the 1990s. What are the major barriers or obstacles to achievement and what are the appropriate policy levers to address any remaining impediments? National and rural economic competitiveness may depend on the successful integration into the labor force of historically disadvantaged groups.**

Equity and productivity considerations are especially relevant for rural women because they comprise the disproportionate share of recent and projected rural labor force growth. Yet, rural women experience higher unemployment rates than rural men and urban women (Bird 1990). They also earn substantially less than rural men (Tickamyer and Bokemeier 1988), face higher rates of underemployment (Lichter 1989), and are over-represented in low-paying occupational or industrial sectors (Tienda 1986). As rural women comprise an increasing share of rural workers, we need to redouble our efforts to identify the "causes" of gender inequality in rural areas. Is it due to the lack of employment opportunities? Inadequate skills? Or sex discrimination? These are important questions. In the absence of declines in gender inequality in earnings, the changing gender composition of the rural labor force will give demographic impetus to an increasingly economically disadvantaged rural workforce.

- **A particularly important topic for future research is whether deindustrialization and the shift to a service-oriented economy reduces or exacerbates gender (and racial) inequality in the workforce. Will past equity gains be eroded by current labor market processes and technological change?**

In a recent study of metro labor markets, the growth of local shares of service workers was associated with reductions in gender inequality (Lorence 1991). But this reduction was due largely to declines in men's earnings,

rather than to improvements in women's employment circumstances. Do such sectoral shifts have similar consequences for gender inequality in rural labor market areas?

Finally, the growth of women in the labor force, especially in rural areas, also will focus increased research attention on the linkages between family and work. Daycare, flex-time, and maternal leave may be important institutional changes necessary to attract rural women into the labor force. But these workplace accommodations also raise concerns about profitability because of the added costs to employers and products in a period of increased competitiveness in the marketplace. On the other hand, the failure to accommodate female workers may contribute to a rise in men's wages, particularly if prospective employers must compete more aggressively for male workers in short supply.

- **How can the rural workplace accommodate women and families, while at the same time remain competitive in a national and global economy? Moreover, how does gender inequality in the home get reproduced in the marketplace? Productivity and equity research in the 1990s should incorporate family-work linkages.**

(3) **Growth of earnings vs. growth of earnings inequality.** Historically, reductions in the size of the poverty population have been directly linked to macroeconomic growth (e.g., as measured by average wage gains or per capita GNP). A common aphorism was that "a rising tide lifts all ships." All income groups, including those at the bottom, benefited from economic growth. Today, there is less agreement. Poverty rates are increasingly affected by changes in the distribution of family and personal income (Levy 1987). Indeed, there is growing speculation that economic growth appears to differentially benefit those at the top of the income distribution, while those at the bottom---including the poor---remain unaffected (Gottschalk 1990).

At the national level, earnings inequality among both men and women working full-time accelerated during the 1980s (Levy 1987; Ryscavage and Henle 1990). Full-time workers in the top fifth of earning distribution accounted for roughly 41.0 percent of the aggregate earnings in 1988, a upswing from 38.9 percent in 1978 (Ryscavage and Henle 1990). Conversely, the aggregate earnings share of the bottom quintile declined from 7.4 percent to 6.7 percent over 1978-88. When all earners were examined (including part-time or part-year workers), the level of inequality in 1988 was even greater. Growing inequality can be linked to the large influx of entry-level young workers in the late 1970s and early 1980s, to the continuing entry of females into the labor force (often at low pay), to changing family structure (e.g., especially the growth of female-headed and dual-earner families), and to economic restructuring (as less educated workers get left behind in a new economy).

Unfortunately, much less is known about the levels and demographic sources of changing income and earnings inequality in rural areas, especially for the 1980s. Fuguitt et al. (1989), for example, calculated gini coefficients in 1979 which indicated surprisingly similar levels of

income inequality in metro and nonmetro areas. Moreover, for nonmetro areas, they observed virtually no change in inequality during the 1970s. Unfortunately, economic distress in rural areas may have accelerated disparities between the rich and the poor during the 1980s.

- **Rural research in the 1990s should show greater sensitivity to issues of income and earnings inequality. How has income and earnings inequality changed over time in rural areas? And what are the sources of these changes?**

Several issues seem particularly important for the 1990s. For example, what is the role of changing demographic composition on rural patterns of income and income inequality? The growing demographic heterogenity of the rural population (e.g., the rise of female-headed families) implies an income distribution that is "spreading out." It may also raise questions about the success of community development programs in reducing the size of an increasingly diverse poverty population. For example, Larson (1989), in a study of Kentucky and Georgia rural communities, found that the expansion of rural employment opportunities was largely unrelated to reductions in the poverty population. To raise the income of the rural disadvantaged, the targeting of economic development programs may need to increasingly emphasize "class-based" (i.e., people-targeted programs) rather than "community-based" criteria.

- **An important question for future debate and empirical analysis is: Who benefits from employment growth in rural labor markets? And which economic development programs benefit those at the bottom of the income distribution?**

Not surprisingly, recent rural income trends have stimulated a new round of research on the rural poverty population (Jensen and Tienda 1989; Duncan and Tickamyer, 1988). Why are rural workers poor? And what is the economic impact of local, national, and international labor force changes. Unfortunately, despite the 1960s "War on Poverty," including the anti-poverty legislation and the innumerable poverty studies it spawned, our understanding of poverty--- especially chronic rural poverty---remains rather limited. In response, the Rural Sociological Society has recently commissioned a Task Force to evaluate the extent and etiology of persistent rural poverty (Summers 1990).

- **Additional research is needed on the changing link between local employment dislocations, rural income inequality, and rural poverty. Are those at the bottom of the income distribution increasingly disadvantaged? And what is the role of employment opportunities and retraining programs in explaining exits from chronic and temporary poverty?**

Income inequality also has a spatial dimension. Uneven development and the geographic restructuring of economic activity may be exacerbating longstanding spatial (i.e., rural/urban) differences in economic well-being. Will the gap between rural and urban areas---between the core and periphery---get larger in the 1990s? And, to what extent are some rural communities (and their residents) becoming richer (e.g., retirement areas)

while others have become rural slums (e.g., especially those dependent on mining, timber, or smoke-stack industries)? Indeed, poor communities have increasingly become "dumping grounds" for prisons, toxic waste deposit sites, and landfills for urban refuse (Fitchen 1991). This often further reduces the attractiveness of these communities for other kinds of economic development.

- **The causes and consequences of uneven development and *spatial inequality* represents a central topic of concern for research in the 1990s. Comparative regional studies are needed on such economically depressed and forgotten places as Appalachia, the Mississippi Delta (i.e., the black-belt), the lower Rio Grande Valley, and northern New England (e.g., Luloff and Nord 1991; Colclough 1988).**

Finally, there has been considerable debate recently about whether metro poverty and low income is increasingly concentrated in urban ghettos (see Littman 1991; Jencks and Peterson 1991). Today, the question of concentrated poverty also is relevant for nonmetro areas. Is there a growing "rural underclass"? Is an increasing share of the rural poor living in poverty areas or rural ghetto communities? Have the rural poor become more geographically (and socially) isolated? Are they "at risk" of various social pathologies (e.g., illegal activities or "non-normative" family behaviors, such as illegitimate childbearing)? And is a growing share only marginally attached to the labor force, and therefore chronically dependent on welfare?

- **Research on rural income inequality should seek to measure the size and changing demographic and economic characteristics of the "rural underclass."**

(4) **Family stability vs. family change.** Rural employment policies and programs are often bereft of any reference to the family. In part, this neglect is due to perceptions that rural kinship structures are "stable" or "strong," and that rural families are largely immune to the destabilizing effects of local economic decline or employment hardship. It is difficult to shake this stereotype of rural family patterns. But these assumptions fail to square with recent facts. Over the past two decades, the family lives of rural and urban residents have completed a rather remarkable convergence (Fuguitt et al., 1989). Rural and urban families are more alike than they are different on a variety of family indicators (e.g., age at marriage, fertility, and divorce). Today, household structure and family size are virtually identical in rural and urban areas (Rogers 1991).

- **During the next decade, a new commitment to research that ties rural economic change to demographic changes in the family must be forged.**

The motivation for this research rests on a simple premise. That is, a pessimistic economic future---which recent rural economic indicators arguably imply---also suggests a pessimistic future for the traditional rural family. Indeed, insights into the future of the rural family can be gleaned from national marriage trends and from family patterns among the

ghetto poor (Wilson 1987; Lichter, LeClere and McLaughlin 1990). U.S. marriage trends, especially delayed marriage among females, is increasingly linked to the declining employment prospects and real earnings of young men. One recent study, for example, showed that local-area male nonparticipation rates and low median earnings were strongly associated with reductions in female marriage rates (Lichter et al. 1990). Moreover, Wilson (1987) has argued that low marriage rates, high illegitimacy rates, and the rise in female-headed households among black inner-city women is rooted largely in local economic restructuring and the declining employment opportunities of black men. Black women today presumably face a demographic shortage of "marriageable" black men. Economic change is inseparable from family change.

Unfortunately, remarkably few empirical studies have linked rural economic change to family instability. Fitchen's (1981) ethnographic study of rural poor people in upstate New York still provides perhaps the most vivid account of the linkages between rural economic stress and family disorganization. It is time for a new commitment to rural research on the interface between family and economic change.

- **Is the economic viability of rural areas linked to delayed marriage, illegitimacy and welfare dependence, instability in marital and nonmarital unions, transitory living arrangements (e.g., adult children returning to live with their aging parents), and declining headship rates (e.g., poor families "doubling up" as an accommodation to economic hardship)?**

Families adapt to economic hardship in a variety of ways. Increasing diversity in rural family structure and function will characterize the future, and nontraditional families should not be evaluated against a (primarily white) middle-class standard. At the same time, it is clear that the relative decline in traditional married-couple families has placed an increasing share of females "at risk" of poverty. Increases in female-headed families have given demographic impetus to the rise in rural family poverty (McLaughlin and Sachs 1988). In 1987, 60.3 percent of nonmetro female-headed families with children were below official poverty thresholds, a figure higher than the 53.2 percent observed among metro female-headed families (U.S. Bureau of the Census 1989). Economic deprivation is both cause and consequence of changing family structure. The process of economic deprivation is cumulative and self-reinforcing.

The feminization of rural poverty can also be linked to the rise of poverty among rural children. Poverty among rural children increased from 18.3 percent to 21.4 percent between 1980 and 1990. Moreover, a substantial share (i.e., over one-half) of the increase was due to growing proportions of children living in female-headed families (Lichter and Eggebeen 1991). Adams and Duncan (1990) reported that "nearly half of the long-term poor living in nonmetropolitan areas are black, the majority are children, and most live in households where the head has not completed high school." And this picture apparently has changed very little since the late 1960s. This implies a uncertain economic future for rural America, especially if today's poor rural children grow into poor adults. One particularly troubling aspect of child poverty is its apparently increasing association with

poverty in adulthood (McLanahan 1985).

- **A research agenda for the 1990s should include: (a) empirical analyses of the links between parental employment opportunities, family structure, and women and children's economic well-being; (b) studies that identify the multiple pathways (including childhood experiences of divorce) to downward inter-generational socioeconomic mobility; and (c) renewed efforts to better understand the mechanisms through which rural poverty is reproduced from generation-to-generation.**

Clearly, recent demographic research has identified the family as an important linchpin in the schooling and economic attainment process of young adults. Policy research aimed at evaluating the ameliorative effects of alternative public assistance programs that might strengthen traditional rural married-couple families (e.g., income supports, etc.) or reduce poverty levels of female-headed families is now needed. Recent family change in inner-city neighborhoods may be a harbinger of things to come in rural America.

(5) Old Data vs. New Ideas. The current statistical gathering system is under stress (Wallman 1988). Perhaps the major concern is whether data collection methods and conventional indicators of economic performance are still adequate in a new and changing national and international economy. Indeed, has the quality of the data kept pace with the growth of new ideas?

This question is especially appropriate with respect to rural labor force data. Our statistical concepts and methods of data collection often originated during an economic period that was much different from today. Fortunately, a number of practical changes could be implemented which would greatly enhance the quality of rural data, contribute to our knowledge base on rural labor market processes, and inform rural public policy. These can often be accomplished without recourse to major new data collection efforts.

- **It is time to treat the rural population as a "minority group" with respect to data collection. National sample surveys (e.g., Current Population Survey) should routinely oversample nonmetro and rural areas.**

Oversampling will allow for more detailed disaggregations of the rural population and labor force. In regional studies and in labor force analyses of rural racial minorities, this is an especially important issue. Current analysis based on panel surveys (e.g., Panel Survey of Income Dynamics) typically suffers from problems of small sample size and sample attrition.

Microdata from the monthly Current Population Survey and decennial Censuses (e.g., Public Use Microdata Sample [PUMS]) provide information only on the census-defined nonmetro population. And, for some states, information on the nonmetro and metro components of the population are surpressed because of potential confidentiality problems.

- **Greater geographic or spatial detail is needed for the census-defined nonmetro and metro population and labor force.**

As the recent work by Fuguitt et al. (1989) indicates, the trends and characteristics of the rural nonmetro population are often very different from those of the urban nonmetro population. At a minimum, some attention should be given to disaggregating the nonmetro (and metro) population into the official rural and urban components. The nonmetro population is extremely heterogenous and rural-urban residence often provides an important axis of spatial and social differentiation.

Because of their social and economic diversity, nonmetro areas no longer should be aggregated into an undifferentiated residual category. A full appreciation of rural labor force processes may never be achieved without placing greater emphasis on the collection of data for specific rural labor markets areas. Some progress was made in the 1980s in identifying rural labor markets from the Census' D file of 1980 PUMS (Tolbert and Killian 1987). In the PUMS-D, each record (roughly 2.2 million of them) contains a geographic code identifying a specific multi-county labor market area (i.e., one of 382 based on commuting patterns). Individual records can be aggregated to the labor market area level and specific analyses can be tailored to meet the specialized needs of the researcher. Multi-level analysis is also possible by linking specific labor-market indicators (e.g., poverty rates) to the individual records.

- **A critical immediate need is to update the 1980 PUMS-D file with a similar data file based on the 1990 Census results. This 1990 microdata file should include geocodes based on the 1980 labor markets (i.e., to facilitate comparability with the 1980 PUMS-D), and revised geocodes that reflect the results of the 1990 census results (e.g., commuting patterns.)**

The 1980 PUMS-D data have spawned a number of recent studies that have provided new insights into the operation of specific rural labor markets, especially on issues related to industrial structure and diversity, on gender and racial inequality, and on local employment opportunities and the attainment process (e.g., Tickamyer and Bokemeier 1988; McLaughlin 1990). A 1990 PUMS-D would yield similar dividends.

On a related issue, we need to reconsider the notion of Nonmetropolitan Statistical Areas. The Census Bureau's Summary Tape Files (STF's) identify only Metropolitan Statistical Areas (MSAs), which are counties aggregated on the basis of function and morphology.

- **An evaluation should be made of the use of nonmetro counties or multi-county units as proxies for specific rural labor markets. What characterizes a rural labor market area?**

At a minimum, we need to reevaluate the substantive and policy (e.g., funding) implications of nonmetro counties being relegated administratively to a "residual" category.

Deindustrialization and restructuring imply that worker displacement will be an increasingly important "transition" in the lives of rural workers. To adequately address substantive and policy questions (e.g., how

much displacement and why?) will require the kind of panel data on rural workers that is simply unavailable or inadequate at present (see Swaim 1990).

- **Data that accurately track the employment experiences of rural workers will be a priority need for the 1990s. The emphasis should be on the labor force "careers" of rural workers.**

For example, the full promise of the Survey of Income and Program Participation (SIPP) has not been realized, in part because the file structures are extraordinarily complicated, the geographic identifiers of rural residence are crude, and tracking rural-destination migrants is often impossible. National panel surveys (e.g., PSID or NLS) also are often deficient in several respects: small N's on rural workers, sample attrition, and few labor force measures. One relatively simple strategy is to encourage the creation of a CPS panel that tracks respondents' labor market experiences from month-to-month or from year-to-year.

Finally, any new data-gathering effort should collect detailed information on both employment and marital/family histories. This would allow researchers to identify linkages between changing family status (e.g., divorce) and the changing economic status and employment circumstances of rural household members. It would also allow some assessment of whether various familial obligations (e.g., child-care) constrain labor force participation. Such an initiative must also be sensitive to the fact that a significant (and perhaps growing) share of individuals do not reside in family households or even live in housing units (e.g., the rural homeless).

- **New rural labor force data-gathering efforts must be sensitive, both from a substantive and methodological standpoint, to the new family forms in American society and to changes in them.**

CONCLUSION

Over twenty years ago, the President's National Advisory Commission on Rural Poverty issued its famous report on *The People Left Behind*. At that time, rural people and places were "left behind" economically in a changing national economy. Today, the sectoral transformation of the national and international economy is once again placing rural people on the front line of labor force change. And, once again, rural America seems to be suffering heavy casualities in terms of lost jobs, stagnant wages, and increasing family poverty.

Understanding the interface between demography and the labor force constitutes a research priority for rural America in the 1990s. The next decade of increasing demographic diversity, industrial restructuring, and economic uncertainty is not likely to by-pass rural America. Whether rural America can avoid being "left behind" in the 1990s will constitute an over-arching research question for the future.

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