



Rural Virginia Prosperity Commission

Trends in Rural Development Strategies in Developed Countries

The economic problems facing rural Virginia are not unique to Virginia or the United States. Throughout the developed world, three factors are common:

1. Employment opportunities in the primary industries (farming, forestry, fisheries and mining) are declining.
2. Out-migration of younger people has led to significant aging of rural population.
3. A critical mass of facilities, producer services, and investments to support start up enterprises of entrepreneurs is missing.

To combat these problems, rural development strategy in developing counties is evolving toward

- ☞☞ A shift from subsidizing declining sectors to an approach based on strategic investments to develop new economic activities.
- ☞☞ More attention to developing an environment that indirectly supports new enterprises.
- ☞☞ An increased focus on local assets, such as environmental, historical, or cultural amenities, or traditional or labeled products, that give a rural place a unique market niche.
- ☞☞ Decentralization of policy administration to local and regional levels.
- ☞☞ Senior government evaluation of the impacts of policy changes on rural areas early in the policy-making process.
- ☞☞ Increased use of public-private partnerships in the development and implementation of economic development programs

Although much is yet to be done by the Rural Virginia Prosperity Commission before presenting final recommendations, the general direction of what must be done is becoming clearer:

There can be no one-size-fits-all approach. Ways will have to be found to build the capacity, at the level of individual rural communities, to take charge of their own destinies through coherent development strategies that utilize public-private partnerships and regional alliances to achieve economic goals. The Commonwealth will need to be prepared to make some strategic investments in providing things that local rural communities cannot provide for themselves—primarily in the areas of water, sewer, and telecommunications infrastructure, adult education, and highways. A Rural Development Institute of some sort is needed to provide mentoring to local leaders, do applied research, and monitor policy changes that might inadvertently discriminate against rural Virginia.