



Rural Virginia Prosperity Commission

Briefing Paper

December 14, 2000

Limits of State and Federal Government to Help Rural Communities Prosper

State and Federal government is limited in what they can do to assist rural communities. They can enact policies that clear the way for local initiatives. They can provide funds, when appropriate, to help carry out those initiatives. They cannot make a failing community become successful by enacting policies and providing funding unless the people want to improve the community and are involved in solving their own problems.

The people who live in rural places are disadvantaged because of issues of distance and remoteness that translate into higher costs and poorer access to infrastructure like roads, electricity, or high-speed internet. However, the evidence is clear that some communities are successful and other communities are not, independent of the advantages or disadvantages they face. The differences between successful and unsuccessful communities are not necessarily explained by economic circumstances. Access to resources and infrastructure is necessary, but it does not mean they will be fully exploited.

Further, the circumstances of communities are so unique that it is virtually impossible for an outsider, no matter what his training or skill is, to know what will lead to success in a community. Nor do the unique circumstances of each community argue against outside intervention. However, the most effective intervention is on a continuing basis and is usually directed more at community development than at economic development. Successful communities are frequently the result of issues as difficult to quantify as community attitude and leadership.

The Rural Virginia Prosperity Commission has some real limits and real opportunities for state (and federal) policies and programs to help rural communities.

Clearly, state action in several areas will directly affect the well-being of rural communities.

✍ Infrastructure

1. Roads and surface transportation
2. Electricity
3. Telephone
4. Internet
5. Water and sewer
6. Public buildings for schools and government services

✍ Local government powers and restrictions

1. Revenue-raising authorities and options appropriate to rural communities
2. Land-use planning tools and powers for local communities
3. Growth-control tools and powers for local communities
4. Flexibility in adaptation of state and federal regulations to local circumstances, for example state and federal bridge specifications that are sometimes totally inappropriate to the rural road in question

✍ Technical assistance and community intervention

1. Technical assistance for local officials on community development and local government management

2. Research and information on the problems of local government and its management to make technical assistance more specific and effective
3. Interventions that provide, encourage, or enhance community development

✍ Private sector resources

1. Access to venture and operating capital markets
2. Investment in infrastructure like telecommunications.

Limits and Opportunities for the Rural Virginia Prosperity Commission

Some recommendations of the Commission for state action can directly affect the wellbeing of rural communities, if in the respective communities, people are willing to exploit opportunities thus created. Some issues affecting rural Virginia will require continued and on-going examination as well as research and policy analysis. The Commission needs to provide some things that will have an immediate impact on rural communities, and then to evaluate and examine the means whereby other needs, like problem-solving capacity which is less amenable to direct state intervention, can be provided for over time. Finally, on-going advocacy is needed for rural people and places. Some form of institution, like Rural Development Councils many states have that can serve as a broker to carry out that advocacy, will likely be required.

Prepared by George McDowell
Staff Contacts: George McDowell (540) 231-6848; mcdowell@vt.edu
Karen Mucny (540) 231-9443; karenm@vt.edu