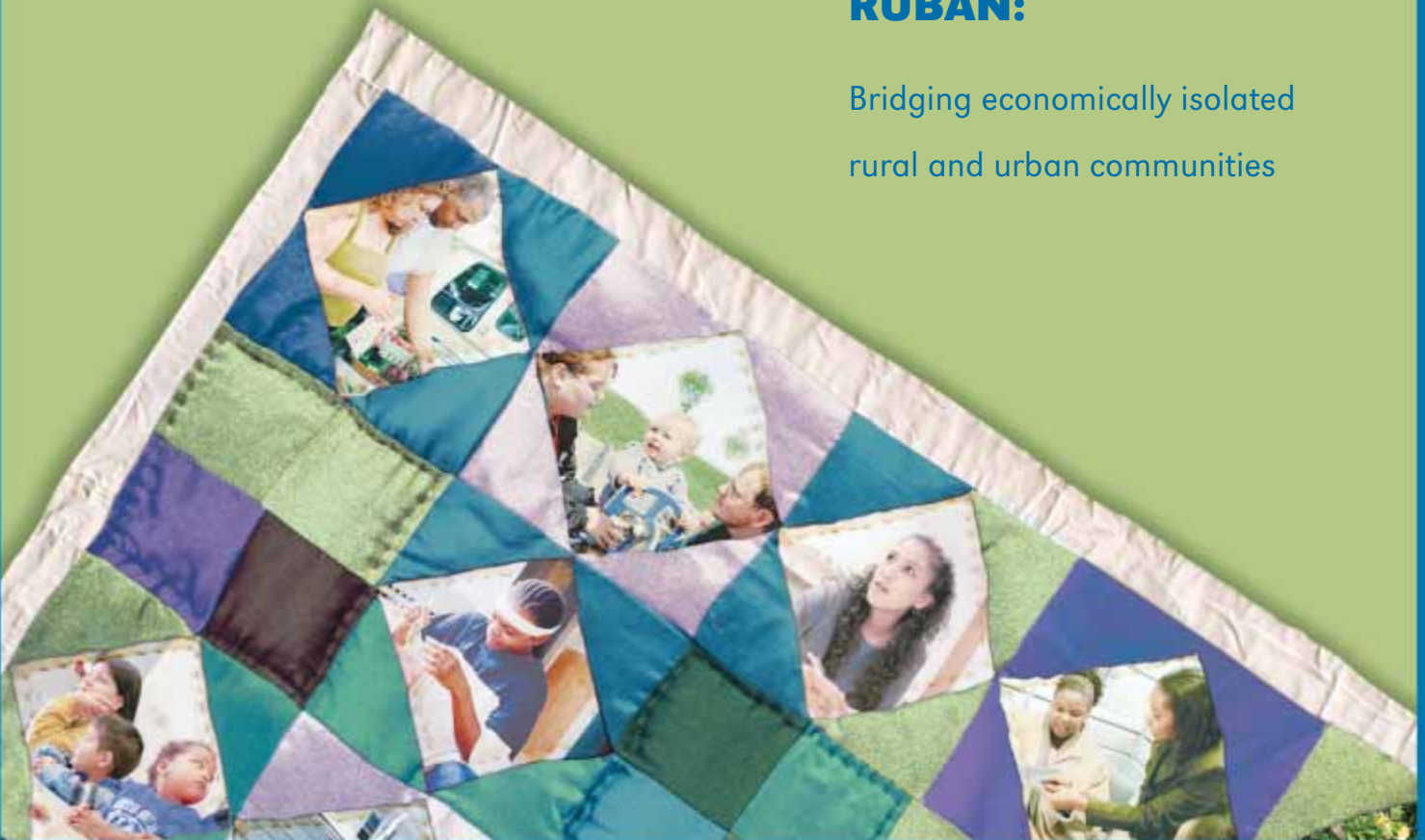


STRENGTHENING RURAL FAMILIES

RUBAN:

Bridging economically isolated
rural and urban communities



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STRENGTHENING RURAL FAMILIES

Bridging Economically Isolated Rural and Urban Communities

Introduction:

Crossing boundaries to help families thrive

Far too many of our nation's children suffer from economic and social insecurity. Too few tools and resources exist to help families achieve better outcomes. And too many of our communities lack the means to routinely help families nurture their children.

We can do better—and a focus on changing state policy is a key means to that end. State government policy shapes and prioritizes an expansive set of programs affecting children and families. States' regulatory and fiscal choices help to determine the scope of local government practices and policies. State policy is thus the creative middle ground between large federal programs and on-the-ground efforts that touch children and their families.

In many states, however, policy for children and families has yet to achieve its potential. Fractured constituencies and diffuse strategies make success rare.

We contend that state policy for family economic success advances further and faster when rural and urban advocates for families and children work together, building strategies and coalitions on core values that have a broad political vocabulary. In this report, we examine the potential for such collaborative strategies. We explore the two worlds of low-wealth urban families and low-wealth rural families. Both groups are struggling to improve their lives. What common characteristics and conditions do they share? Where do they differ? What kind of access do they have to resources that can help them achieve self-sufficiency? And what does their common narrative tell us about building stronger state constituencies for policies that increase the odds for *all* families struggling to join the American dream of economic prosperity?



In many states, policy for children and families has yet to achieve its potential. Fractured constituencies and diffuse strategies make success rare.

Project methodology

The Family Strengthening Framework of the Annie E. Casey Foundation

“Children do well when families do well, and families do better when they live in supportive communities.” This premise—the theory of change reflected in the *Making Connections* framework of the Annie E. Casey Foundation—recognizes that children and families facing bad outcomes typically live in communities and neighborhoods that are disconnected from mainstream opportunities. The Foundation has identified three “connections” that are critical to reverse bad outcomes: the presence of social networks, access to high-quality support services, and ties to economic opportunity.

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Over the years, the Foundation has concluded that the last connection—ties to economic opportunity—is “first among equals” in helping children and families achieve better outcomes over the long term. This led the Foundation to identify Family Economic Success (FES) outcomes and practices that help make this connection. Summarized by three core strands of analysis—“Earn It, Keep It, and Grow It”—the FES framework has been successfully applied by practitioners in urban communities across the country. More recently, the same framework has begun to be implemented in low-wealth rural communities as well.

The Community Development Partnerships’ Network project: Bridging economically isolated urban and rural communities

The Community Development Partnerships’ Network (CDPN) is a national network of regional and statewide community development intermediaries whose work supports community-based development organizations. Most of CDPN’s members serve regional metropolitan areas, such as Atlanta, Indianapolis, and Cleveland. Several others are statewide institutions with both a rural and urban development mission. One, the Southern Rural Development Initiative, has an exclusively rural mission focused on communities and community-based development organizations in the low-wealth counties of the rural South.

Over the past several years, a growing regionalism agenda has captured the attention of CDPN members. Conversations with Annie E. Casey Foundation staff members led to

a partnership to examine how improvements in the definition and direction of the rural-urban equation might enable stronger state coalitions that can advance social, economic, and regional equity agendas.

During the course of this project, CDPN collected data from one rural community and one urban community in each of four states—Georgia, Maryland, Oregon, and Texas. These are not statistical samples but select data indicators of specific communities to help identify points in common and points of difference between rural and urban regions.

Choice of study sites was based on their proximity to CDPN member organizations, their geographic diversity (*see Figure 1*), and their economic conditions (*see Figure 2, next page*). All study sites shared the following indicators of social and economic distress:

- Significantly higher poverty rates than state or national averages.
- Poverty rates close to 50 percent for children under 18 years of age.
- Median family income significantly lower than the national average.

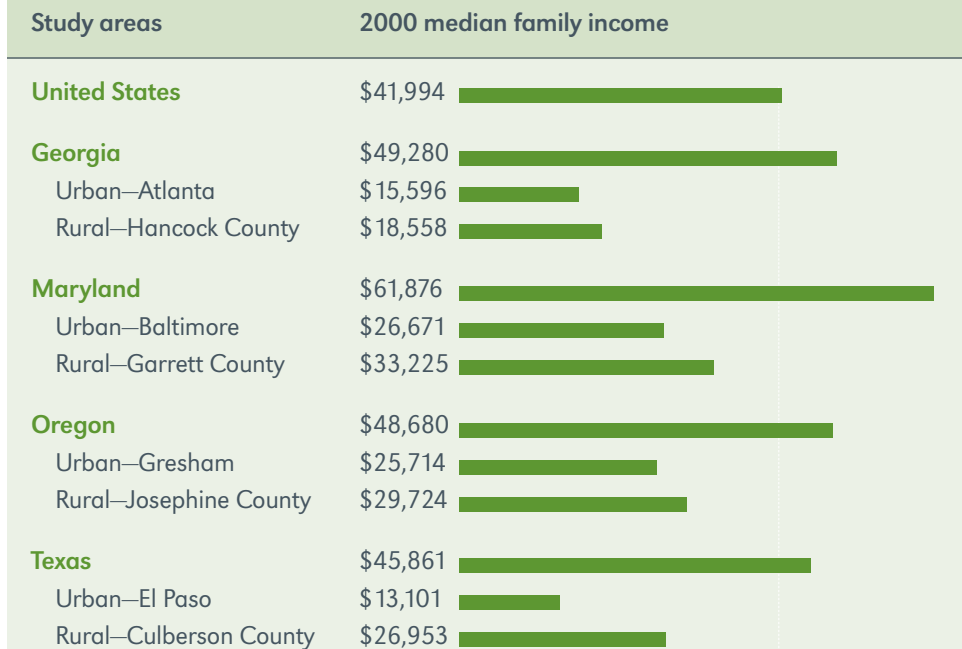
In addition, many of these communities had alarming poverty rates—almost 50 percent—for female-headed households.

To assess family asset conditions for each location, we used a range of economic and demographic data and indicators from census sources. We also interviewed CDPN

FIGURE 1.
Study site locations

State	Rural site	Urban site
Georgia	Hancock County (census tract 9802)	Atlanta (Fulton County), Pittsburgh neighborhood (comprising census tracts 56, 57, 63)
Maryland	Garrett County (census tract 2)	Baltimore, SW Baltimore (census tract 2005)
Oregon	Josephine County (census tract 5616)	Gresham (Multnomah County) (census tract 89.1)
Texas	Culberson County (census tract 9205)	El Paso, south of downtown (census tract 20)

FIGURE 2.
Median family income of the study sites



Source: U.S. Census Bureau, Census 2000.

member organizations and other individuals in the study areas, and supplemented this work with web-based research.

The information from the four case studies became the foundation for a two-day convening at the Annie E. Casey Foundation in May 2004 with 40 policymakers and community leaders from across the country. The convening provided an opportunity to test the findings and further refine our thinking on steps that rural and urban advocates could take to advance family economic success strategies at the state level.

Making the case for RUBAN

RUBAN is more than a clever merger of rural and urban names. It is a new framework for testing assumptions about similarities and dissimilarities in rural and urban conditions. This new field of inquiry holds promise not only for state policy, but for federal policy and

regional community development practice as well. Most important, the RUBAN framework outlines a systematic way for stakeholders to shape and define coalitions based on fact, core values, and a shared but broadly defined vocabulary that increases the chances of creating stronger communities that are supportive of children and families.

CDPN's findings affirm the conviction that, by joining forces in this way, rural and urban advocates for children and working families will achieve stronger, more lasting state policy for family economic success. We contend that RUBAN coalitions are *imperative*, *logical*, and *doable*.

The imperative

In a nation of unimaginable wealth, too many low-wealth working families—rural and urban, hidden in plain sight—remain isolated from the economic mainstream.

Recent research by the Rural Families Data Center of the Population Reference Bureau shows that family economic security indicators—for example, the percentage of related children living in extreme poverty—are approximately the same for metro and non-metro populations. Other census data indicate that both central-city populations and non-metro small towns have poverty percentages—both for total population and for children—that are far higher than the national average.

These families, and the neighborhoods they live in, share the common challenge of countering isolation from job opportunities, educational resources, and the family support networks (such as child care) needed to secure economic stability. Without strong policy to support them, these families will miss out on economic prosperity and security.

State policy is increasingly dominated by suburban interests. The 2000 Census confirms that half of America's population is now suburban (*see Figure 3, next page*). In 29 states, however, the majority of residents are still located in either metro/central-city or non-metro areas. A strong rural-urban coalition can thus make a compelling case that the economic success of low-wealth families is a statewide issue requiring a statewide policy response.

Even if in the minority, a strong rural-urban coalition can influence conservative suburban political leaders. When a critical family-friendly policy, such as a state Earned Income Tax

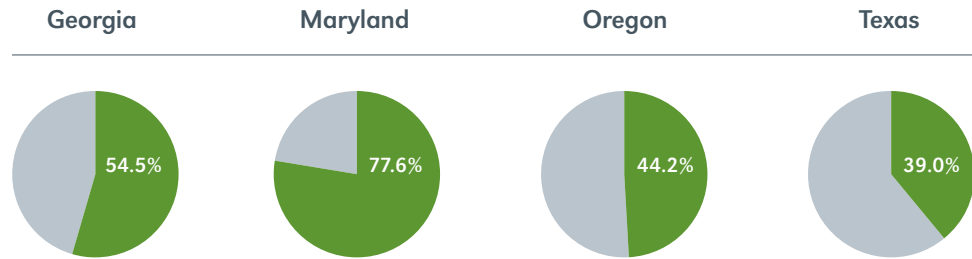
“Overall, the results indicate that rural children face many of the same challenges that are typically associated with children living in big cities, including absent or underemployed parents, high poverty rates, drug and alcohol abuse, and high dropout rates.”

Population Reference Bureau —
in a forthcoming study on rural children

FIGURE 3.

Population breakdown—metro outside of central city (suburbs)

Percentage of total state population residing in suburbs



Source: U.S. Census Bureau, Census 2000.

The complexity of a suburban counterweight

The Texas House of Representatives has 150 seats. Of these, 50 percent belong to a predominantly suburban point of view that favors smaller government and shrinking services. Yet helping children and families gain equal access to opportunities often means *stronger* government programs. To advance this perspective will require overcoming the House majority by bringing together potentially like-minded representatives, including:

- 37 from rural areas, some of whom are conservative (coalition building within this constituency is particularly important in Texas)
- 32 from major core-city areas
- 16 from border areas in South Texas, some of which are rural, and most if not all of which are high-poverty areas
- 30 of Hispanic origin
- 14 of African-American origin

Some of these representatives fit into one or more categories. If everyone in each of these groups came together to form a coalition, they would thus just have 50 percent of the votes in the House — still barely a margin and a daunting coalition to form. But without such a coalition, there is little hope for advancing FES policies in Texas.

— drawn from comments from the Texas team participating in the May 2004 convening at the Annie E. Casey Foundation

Credit program, is supported by rural and typically conservative legislators, it frames the issue in a way that makes suburban legislators take heed. A well-organized RUBAN coalition can also highlight and utilize the growing reality that older suburbs in a number of metro regions are transforming into low-wealth neighborhoods.

The logic of commonality between low-wealth rural and urban families

CDPN's analysis found that, despite their very different community contexts, low-income working families in urban and rural communities share a number of conditions and challenges. We use the three strands of the Annie E. Casey Foundation Family Economic Success model—**Earn It, Keep It, and Grow It**—to examine these conditions and identify points of common ground to bridge the rural-urban divide.

Earn It. For working families to succeed, they must earn enough to thrive, and they must develop skills and access opportunities for increased earned income over time. The working families in both the rural and urban communities we studied continue to struggle to achieve these goals.

■ **Qualifying for a job**—Low educational levels depress the work qualifications and opportunities of both rural and urban low-wealth individuals. Data from the study sites indicate that the telling story is at the extremes. All of the sites had relatively high rates of adults with less than a ninth-grade education—in the 20 to 60 percent range, compared to the national average of 7.2 percent. And relative to the national average, all study areas had low percentages of adults with college degrees. (In rural sites, this was magnified somewhat by the out-migration of better-educated adults.) For most study areas, high school attainment levels—the middle ground between the two extremes—were closer to national averages.

■ **Getting and maintaining a job**—Urban areas with robust economies did better in providing job opportunities, but low-wealth working families in both urban and rural areas were hindered by inadequate transportation and child care. Those families living in “weak market cities”¹ and isolated rural sites that had lost their economic engine faced similar difficulties in finding and keeping jobs, though at different magnitudes.

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■ **Advancing in a career**—For both the urban and rural communities studied, under-employment was a chronic challenge. Good jobs with a clear career path were scarce, and workforce development resources were thin. Interviews suggested that the sites varied considerably in access to workforce development and technical education. Urban sites generally had training resources nearby but those resources varied in their accessibility and their ability to tailor programs to the needs of low-wealth families, especially in communities of color. Rural sites typically had limited access to training resources.

To protect earned income and lower their cost of living, families must be able to access a full range of financial services. For the low-wealth rural and urban families we studied, the tools to achieve this goal remain out of reach.

Keep It. Keeping their hard-earned income and wealth is also essential to families' economic success. To protect earned income and lower their cost of living, working families must be able to access a full range of financial services. Again, for low-wealth rural and urban families, the tools to achieve this goal remain out of reach.

■ **Establishing financial health**—Families in all of the case study sites had limited access to financial education programs that could help them learn how to save and build assets. Stakeholder interviews indicated that such financial education services were rare in most of the communities studied and nonexistent in some.

■ **Bolstering earned income**—Recent analysis by the Brookings Institution indicates that, for a number of states, Earned Income Tax Credit (EITC) participation rates are similar in urban and rural areas.² EITC outreach campaign experience suggests that a significant number of eligible families are not claiming the EITC, and those who do are paying too much to get it.

■ **Protecting income and decreasing costs**—According to interviews, check-cashing stores and payday lenders remained a problem in the urban sites—and were becoming a problem in some rural sites. The consolidation of the banking industry has resulted in low-wealth rural areas having limited access to conventional financial services. Downward pressure on wages in rural areas has also led to an increase of poor or near-poor households who can be targeted by check-cashing stores and payday lenders.

Grow it. Finally, economic success depends on working families having the opportunity to grow their wealth, so that they and their communities accumulate and maintain

assets that gain value over time. Unfortunately, findings from the case studies show this is too often not the case (see Figure 4).

■ **Accumulating family assets**—Compared to state and national averages, all of the study areas except rural Maryland had significantly lower percentages of households with interest and dividend income. These sites showed little savings or other asset accumulation beyond homeownership.

FIGURE 4.
Savings rates

	Percentage of households with interest, dividend, or net rental income	Mean interest, dividend, or net rental income
United States	35.8%	\$10,677
Georgia	28.8%	\$10,351
Urban—Atlanta	4.3%	\$1,271
Rural—Hancock County	13.0%	\$7,276
Maryland	35.8%	\$10,263
Urban—Baltimore	12.3%	\$3,060
Rural—Garrett County	35.2%	\$5,763
Oregon	39.5%	\$10,277
Urban—Gresham	20.8%	\$1,057
Rural—Josephine County	32.0%	\$1,794
Texas	29.2%	\$11,055
Urban—El Paso	6.8%	\$2,469
Rural—Culberson County	8.9%	\$3,523

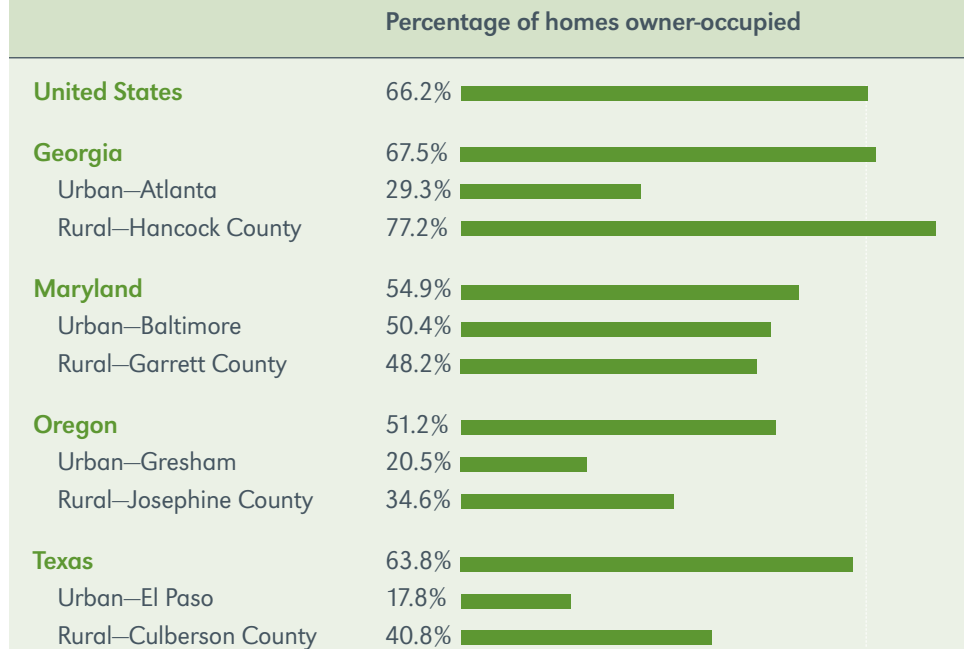
Source: U.S. Census Bureau, Census 2000.

■ **Supportive policy interventions**—Our interviews indicated that Individual Development Account (IDA) programs, a financial tool to help low-income families get a jump on savings, were modest to nonexistent in all study areas.

■ **The role of homeownership**—Homeownership lagged as an asset vehicle for the sites studied, with rates much lower than the national average (see Figure 5, next page). This

Economic success depends on working families having the opportunity to grow their wealth, so that they and their communities accumulate and maintain assets that gain value over time. Findings from the case studies show this is too often not the case.

FIGURE 5.
Homeownership rates



Source: U.S. Census Bureau, Census 2000.

Although commonalities exist between rural and urban low-wealth households, there also are significant challenges—what we call “brambles”—that emerge from both the realities and perceptions of rural and urban communities.

may not entirely be a bad thing, however. Home appreciation values were highly dependent on whether a site was a “weak market” or a “strong market” location. In a number of the weak market study sites, homeownership was an asset-losing rather than asset-building strategy.

If it is so logical, why is it so hard? A ramble through the brambles. Although commonalities exist between rural and urban low-wealth households, there also are significant challenges—what we call “brambles”—that emerge from both the realities and perceptions of rural and urban communities. The reality-based challenges stem from different interests based on economic power and culture. The perception-based challenges may have little basis in reality but can still make forming a RUBAN coalition difficult. People interested in establishing such a coalition must be prepared to take the time to clear the brambles and chart a path together. In our conversations with rural and urban stakeholders, five large brambles emerged: the challenge of the “other,” different

spheres of influence for rural and urban family advocates, competition over resources, conflicts in state legislatures, and uneven capacities of rural and urban institutions.

The challenge of the “other.” There are actually three challenges here. First and foremost, advocates and community developers in both rural and urban settings feel that superficial but extensive differences make partnerships difficult to achieve and sustain. There are real challenges in overcoming these perceptions—and *misperceptions*. Historical and cultural “frames” can separate the two constituencies and, in some cases, pit them against each other. For example:

- In many states, the sense of metro domination—real or perceived—can result in urban advocates overlooking rural realities or viewing rural partners as unnecessary.
- A confounding of rural-urban divides with other overlapping differences—racial separation among them—can lead to generalizations such as “white rural reality” versus the “black urban experience.”

In some cases, these frames highlight very real differences that we must take into account. In other cases, they are myths that we must work on diminishing. Either way, however, these frames often obscure common ground.

Second, the rural and urban stakeholders we interviewed were quick to point out that critical differences exist *within* the two broad categories of “rural” and “urban,” which may work against urban-rural alliances. In some cases, the dividing lines between rural and urban overlap differences not just in race, as mentioned, but in class, ideology, and cultural heritage. These characteristics can often be stronger incentives for coalition building than the historically weak relationship between rural and urban. The result is that rural and urban constituencies may align with allies (party lines, class identities, and race) that do not support, and may even undermine, rural-urban commonalities.

Finally, the tendency to frame issues from a place-based perspective rather than a people-based perspective (i.e., working families) can also keep people from looking beyond their respective urban and rural boundaries. State, federal, and foundation behaviors often work against RUBAN coalitions when they are predominantly defined by place.

Superficial but extensive differences between conditions in urban and rural communities can make partnerships between the two difficult to achieve and sustain.

Rural and urban family advocates often work in different spheres of influence and in institutions that may have uneven capacities or have traditionally competed for resources.

Different spheres of influence. Rural and urban family advocates often work in different spheres of influence. Rural advocates rely more on state government partners, and thus often have significant access to state legislators. Urban activists have been more focused on influencing city council officials to make change in their respective neighborhoods, and are only now beginning to think in a regional construct. For many, a state rural-urban framework is thus a difficult jump into unknown networks, contacts, and contexts.

Competition over resources. While state fiscal conditions are improving, there are still limited resources to go around. This has contributed to the perception of a zero-sum game between rural-urban-suburban interests, which gets in the way of trying to find and pursue win-win(-win) strategies. It is also true that collaborating for resources, while offering the best long-term solution for all involved, may take longer, be more difficult, and require ceding some control of the agenda and the outcomes. As a result, following the old cliché that the devil you know is preferable to the devil you don't, rural and urban advocates may be more inclined to continue to compete than to attempt a collaborative strategy.

Crisis in state governance. For many of the case study sites, an antagonistic atmosphere in the state legislatures has created a real challenge to crafting supportive family policy. In Texas, this is due to redistricting, which has effectively eliminated areas of collaboration between rural and urban. In Georgia, the state legislature is effectively becoming a one-party system. And in Oregon, the legislature's political division has fractured cleanly along the rural-urban divide.

Uneven capacities. Conversations and research indicated that a final barrier to RUBAN collaborations stems from differing capacities of rural and urban institutions. Over the years, considerable investment and attention has gone into building the capacity of urban nonprofits and the general infrastructure to support FES strategies. While still insufficient, that investment is substantially greater than the capacity-building support rural groups have received. Philanthropic assets, for example, were much more available in urban sites than in rural communities. RUBAN collaborations require *increased* capacity for constituent groups—and the fact that group capacities are both inadequate for current needs and unequally allocated between urban and rural areas poses a significant hurdle to overcome.

RUBAN coalitions are doable

A wise community development practitioner is fond of saying that issues should be “conceivable, believable, and achievable.” Even with the brambles described, RUBAN state policy alliances to support low-wealth working families are achievable.

RUBAN alliances happen—but not as much as they should. Successful RUBAN coalitions have emerged in a number of states—for example, in Maryland around family support services, and in North Carolina and Georgia over state policy on predatory lending. But such coalitions don’t happen as often as they should, especially given persistent state fiscal constrictions and growing suburban political power—precisely the time when RUBAN coalitions are most needed.

There are core values to build on. Perhaps the RUBAN framework’s strongest selling point is that it speaks to our common hopes for our families and children. When family economic success advocacy is based on core values that are shared by rural and urban constituents (indeed, these core values are shared by most Americans), coalitions emerge and articulate strategies that cross political and geographic boundaries. As a result, bipartisan support coalesces—and, at the very least, strident opposition is blunted.

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Examples of family economic success messages that speak to core values:

“The EITC provides opportunities for hardworking families to get out of debt, advance their education, and be self-sustaining.”

“Addressing financial literacy reduces dependence on government programs.”

“The EITC is designed to reward people who work.”

“Increasing access to jobs with adequate pay and benefits enables parents to provide food, clothing, shelter, and health care for their families.”

“Building assets provides financial stability to low-income families and helps them weather unexpected crises.”

When family economic success advocacy is based on core values shared by most Americans, urban or rural, coalitions and strategies emerge that cross political and geographic boundaries.

There is low-hanging fruit to be picked. Our conversations with national policymakers and local practitioners not only affirmed our research findings but also dramatically demonstrated the viability of RUBAN alliances to support family economic success. As part of our two-day convening in May 2004, stakeholders from the four study site states caucused to assess what “low-hanging fruit” existed in their states right now that could lead to tangible policies to support family economic success. To give just two examples of what was accomplished:

- The Georgia delegation quickly focused on the fragmentation in **financial literacy services** across the state. They devised policy goals of program standardization and support for interagency coordination. Their message driver was forcefully articulating the core value that financial literacy grows middle-class taxpayers and circulates more revenue in the state economy.
- The Texas delegation, after reviewing data that showed exceptionally low savings and investment income in low-income households, focused on a **state-initiated IDA program**. They discussed how the core value of the policy could be shaped to resonate with fiscally conservative state legislators, and who would be the best policy intermediaries to reach them (small independent bankers in rural areas).

Thus, over a period of an hour and a half, the Georgia and Texas delegations of rural and urban representatives outlined doable policy objectives and outcomes and detailed

Other low-hanging policy fruit suggested for RUBAN action

- Move career training class offerings from non-credit to credit status at state community colleges to allow students to qualify for Pell grants and to make progress toward certification or degrees.
- Allow financial literacy classes to count toward TANF work requirements.
- Give taxpayers tax credits for private contributions to community-based IDA programs.
- Create a refundable state EITC.

strategies to achieve them. Their assessment also included who had to be in the coalition to achieve the outcome, what brambles could keep it from advancing, what the message driver would be, who would have to take the lead, and how to engage key state legislators.

And what can YOUR state do? Potential RUBAN alliances for action

The following examples illustrate a few opportunities we see for RUBAN coalitions and provide an outline for how such work might be framed.

Earn it

Goal: Working families earn enough to thrive, and develop skills and access opportunities for increased earned income over time.

Policy change desired to help working families “Earn it”: Increased state investments for job-training programs for higher-wage and career-ladder jobs (medical, etc.).

Core value on which to base a RUBAN

coalition: Access to higher-paying jobs with benefits will enable parents in both rural and urban communities to provide food, clothing, shelter, and health care for their families.

Replicable example: The Enterprise Florida Jobs and Education Partnership initiative begun in 1994 is a model process of state policymakers intently seeking to coordinate fragmented workforce development policies, programs, and funding throughout the state to encourage access to high-skilled jobs. The state’s Workforce Innovation Act of 2000 continues this momentum by improving the linkages between workforce development, welfare reform, one-stop career centers, and youth



Access to higher-paying jobs with benefits will enable parents in both rural and urban communities to provide food, clothing, shelter, and health care for their families.

Brambles/myths that would prevent an “Earn It” coalition from forming

- **Myth: Rural poor work primarily in agriculture.** This myth results in the belief that the labor bases in rural and urban areas have little in common to rally around.
- **Myth: Urban working poor earn more than rural working poor.** Therefore, rural constituencies must “fight” urban to get their fair share.
- **Fact: Very few rural working poor are agricultural workers**—indeed, they work largely in the same industries as their urban counterparts.
- **Fact: Urban working poor do earn slightly higher wages than rural—but the difference between them is less than \$2/hour.** About the same proportions of both groups work full time. In both constituencies, people are working harder but still are barely getting by.
- **Common ground:** Issues of economic security are quite similar for urban and rural working families at the state level.

employment. Even with this policy innovation, however, Florida workforce development remains a challenge.³

Keep it

Goal: Working families have access to a full range of financial services that can help them protect earned income and lower their cost of living in their community and region.

Policy change desired to help working families “Keep it”: Increased utilization of the EITC by eligible families who do so for free or at low cost and use the money to build greater financial stability. State policies that will help to achieve these goals include:

- Supporting marketing and outreach to encourage eligible families to file for the federal EITC.
- Establishing a refundable state EITC.

- Discouraging the use of refund anticipation loans (RALs) and capping interest rates associated with them.

Core value on which to base a

RUBAN coalition: The EITC rewards people who work. Individuals and families throughout the state should be encouraged to generate earned income and should be protected from unethical and/or illegal predatory financial practices that strip away state residents' hard-earned income. EITC participation also helps return money back into local economies.



Individuals and families throughout the state should be encouraged to generate earned income and should be protected from unethical and/or illegal predatory financial practices that strip away state residents' hard-earned income.

Replicable example: State EITC programs have been established in 12 states—for example, Colorado, Kansas, Maryland, and Vermont. Rural and urban EITC outreach campaigns and Volunteer Income Tax Assistance (VITA) sites have vast experience in working with families to increase EITC participation and to reduce tax preparation costs and the use of RALs.

Brambles/myths that would prevent a “Keep It” coalition from forming

- **Myth:** EITC only benefits urban communities.
- **Myth:** Predatory lending is an issue only for low-wealth families in inner-city communities.
- **Fact:** The EITC benefits rural and urban residents in about equal proportions—18% and 20%, respectively. Indeed, the places with the highest shares of families claiming the EITC are in the rural Southeast and Southwest.
- **Fact:** Predatory lending and payday lending are increasingly a threat in low-wealth rural communities that lack adequate commercial banking services.
- **Common ground:** Both urban and rural working families benefit equally from strong state EITC policies and protections from predatory financial practices.

Grow it

Goal: Working families and their communities accumulate and maintain assets that gain value over time.

Policy change desired to help working families “Grow it”: Stronger, more inclusive state Individual Development Account (IDA) strategies to encourage and reward family savings. In addition to state appropriations, state funding strategies for IDAs include tax credits for IDA contributions, welfare reform maintenance of effort dollars, and Community Development Block Grant (CDBG) revenue.

Core value on which to base a RUBAN coalition: Building assets through strategies

such as IDAs provides financial stability to low-income families throughout the state and helps them weather unexpected crises.



Replicable example: According to CFED, 29 states and the District of Columbia have passed laws to support IDAs, 32 states have included IDAs in their welfare reform plans, and 7 states have created IDA initiatives by administrative action.

Building assets through strategies such as IDAs provides financial stability to low-income families throughout the state and helps them weather unexpected crises.

Brambles/myths that would prevent a “Grow It” coalition from forming

- **Myth:** Low-wealth rural families are more frugal and save more than their urban counterparts.
- **Fact:** The four case studies indicated that both urban and rural low-wealth households had very low savings rates.
- **Common ground:** Low-wealth families in all communities would benefit from strategies and institutions that encourage and reward savings.

Getting started: How to begin to build a RUBAN alliance to advance FES strategies

Building policy alliances is hard work. Starting a RUBAN alliance in your state or region requires strategic thinking and savvy message shaping, and it helps to have a thick skin to bear the pricks of the brambles along the way. Practical steps to make a RUBAN alliance happen include:

Identify the FES outcome you wish to advance. The more refined, specific, and measurable the outcomes are, the better. Think of outcomes that can be articulated in terms of direct impacts on individuals and that can be subaggregated by the most appropriate election district. “Madam State Senator, in your district X constituents will receive Y benefits/services...”

Define the common ground between rural and urban on these issues. Thoroughly examine how conditions around the issue are similar or different in rural and urban communities. The clear use of data is critical to establishing commonalities.

Establish the core value that would drive a RUBAN coalition. Define core values in the lowest common denominator. Defining core values simply and broadly will maximize the political constituency that can be enlisted.

Unpack the brambles that get in the way of rural-urban collaboration. What frames, myths, and misperceptions prevent rural-urban collaboration in this area? What communication strategies will highlight commonalities? Be sensitive to how assumptions, perceptions, and language shape the framework of the problem and its solutions.

Identify the policy change(s) that can advance the desired outcome. Matching policy levers to outcomes is part science, part art, and part guesswork. Ideally, policy changes should be proportional to outcomes. Don’t change policies that affect issues and people beyond the desired outcome. For RUBAN alliances, it is particularly important to vet the proposed policy change to ensure that it does not affect rural and urban communities differentially.

**Starting a RUBAN alliance
in your state or region
requires strategic thinking
and savvy message shaping.**

How a communications consultant sees it

- **Step 1:** Approach lawmakers with messages that speak to core values and the economic realities of their district.
- **Step 2:** Educate lawmakers on the FES agenda.
- **Step 3:** Persuade lawmakers that their own constituents have a major stake in an FES agenda.
- **Step 4:** Engage state lawmakers in public outreach efforts—like free tax preparation assistance campaigns—so that they will feel invested and become policy allies.

*—advice from Ed Hatcher, President, The Hatcher Group,
a communications and public policy firm*

Identify the necessary members of the alliance. This is the last, but not the least, of our steps. An initiating team of rural and urban advocates on a specific issue has to be well chosen—both for their own contributions and for their connections to individuals and networks in their respective rural and urban communities. All the “usual suspects” are required to be message drivers or supporters. But in a RUBAN alliance that has based its case on shared realities and core values, it is sometimes the “unusual suspects” who provide the tipping point for policy change. For example, at the May 2004 convening of policymakers and practitioners, the Texas team proposed an FES outcome of accumulating family assets and increasing their value. Achieving this outcome would require a policy change to shelter savings vehicles (IDAs). The “unusual suspects” who could play a critical role in advancing this policy change were identified as small independent bankers who were influential in rural areas.

Conclusion: Challenging the notion of red and blue America

Political analysts commonly make the case that different politics and different values create a defining fault line in American society—the so-called “red” and “blue” America. The red counties, according to pundits, are conservative and mostly rural and suburban,

and vote in one direction. The blue counties are largely urban, more liberal, have different values, and vote in another direction.

But low-wealth working families and their children have neither the time nor energy to worry about whether they belong to “red” or “blue” America. Rural or urban, they share many of the everyday challenges of earning a living, keeping what they have, and growing assets for their future. The research and convening carried out by the Community Development Partnerships’ Network, in partnership with the Annie E. Casey Foundation, bears this out both through data and practitioner input.



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Policy change occurs when elected leaders see (and feel) a strong, broad-based constituency for change. The status quo has the weight of inertia on its side, and only a mighty momentum will budge it. Momentum comes from broad, committed coalitions that speak with a common vocabulary about a shared goal. While rural-urban alliances around family economic success are not common, or commonly perceived, we believe that when explicitly pursued such alliances can make significant contributions to transforming the state policy environment.

RUBAN alliances to support family economic success policies require the difficult process of welding different geographic and political perspectives into a consensus on core values that allows cooperative policy solutions to emerge and be successful. But when this happens, a new standard of American domestic policy is achieved.

Harvard Business School’s Michael Porter, an influential voice on economic competitiveness, recently released a report to the Economic Development Administration which concluded that, now more than ever, rural and metro regions have interlocking economies.⁴ This integration will only grow stronger. There can be no single municipal solution to

regional economic challenges. And rural communities can no longer go it alone, however far over the horizon the big city may seem. Lasting solutions for low-wealth working families—urban and rural—require an integrated, comprehensive policy response.

The division of America into red and blue is simplistic and counterproductive. The differences are marginal compared to the productivity lost when state and federal policies do not support and nurture strong, self-sustaining families wherever they live. It is not trite patriotism to believe that we are, after all, one nation, and that policy to support working families is central to the American ethic.

Endnotes

¹ “Weak market cities” are those cities that continue to lose population and face out-migration and a decline in economic competitiveness. Refer to Brophy and Burnett, “Building a New Framework for Community Development in Weak Market Cities,” CDPN, 2003.

² Alan Berube and Tiffany Thacher, “The ‘State’ of Low-Wage Workers: How the EITC Benefits Urban and Rural Communities in the 50 States,” Brookings Institution, Center on Urban and Metropolitan Policy, 2004.

³ Additional workforce policy information about Florida and other states can be found in the Working Poor Families Project of the Annie E. Casey Foundation at www.aecf.org/initiatives/jobsinitiative/workingpoor.htm.

⁴ Michael Porter, et al., “Competitiveness in Rural U.S. Regions: Learning and Research Agenda,” Institute for Strategy and Competitiveness, Harvard Business School, 2004.



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