American small towns and rural communities have been in economic and social decline since the 1980s, with symptoms that include shrinking populations, an exodus of younger people, job losses, and aging infrastructure (Kusmin, 2016). One theoretical explanation for these changes is the shift away from an industrial society towards a postindustrial one, which impacts traditional rural sectors like agriculture and manufacturing particularly hard (Harvey, 2005; Peters, 2012). There is clear evidence that these trends have continued consistently over several decades and are unlikely to be reversed in most places (Johnson & Lichter, 2013; Peters, 2013). Yet the research on small and rural communities has focused primarily on documenting and observing aspects of decline or promoting uncertain growth strategies, rather than helping communities to shrink while protecting quality of life for residents and the infrastructure that connects them to larger community networks. Shrinkage is “understood as an empirical phenomenon resulting from the specific interplay of different macro-processes at the local scale” resulting in population loss (Rink, Haase & Bernt, 2009, 19). Shrinkage has been emerging as an important framework in European research projects such as Shrink Cities and Shrink Smart (Cowell & Rieniets, 2006; Rink et al., 2012). Research on decline and shrinkage has focused primarily on larger post-industrial cities that experienced population loss as the industrial economy collapsed (Dowar & Thomas, 2013; Weaver et al., 2016). This project is unique for two reasons: (i) we employ a precise definition of smart shrinkage; and (ii) we focus on small and rural communities that have received little attention in the case studies, which are dominated by larger cities.

DATA AND METHODS

Small towns are delineated by ZIP codes that include a municipality whose population was between 500 and 10,000, but not adjacent to a city of 50,000 or more people, based on 1990 Census counts. The ISTP randomly sampled one of these towns within each Iowa county in 1994, per the research design. Extant literature demonstrates ZIP codes best approximate community boundaries (Brennan et al., 2013).

Demographic and economic data comes from the ACS and Decennial Census. Small town ZIP boundaries are approximated using block-group geographies. Census boundaries change every decade, so 1990 data are spatially normalized to 2010 geographies to permit comparisons over time. Data on quality of community services is taken from the ISTP’s Sigma study, which is a USDA-APRF funded project to study the condition of Iowa small towns by assessing local services and amenities, social conditions, and perceptions of local quality of life. Residents in the 99 small towns were surveyed in 1994, 2004, and most recently in 2014.

Shrink-Smart small towns are those experiencing both declining populations (<0.5 std dev) and improving quality of services (>=0.5 std dev). By contrast, standard shrinkage towns also have populations losses (<=0.5 std dev) but with worsening quality of services (>=0.5 std dev). Shrinkage is measured as percent change in population between 1990 and 2010. Smart is measured as change in quality of community services, subjectively rated by residents, between 1994 and 2014. Methods used to analyze the data are simple mean differences using Scheffe’s tests. Analysis identifies n=7 Shrink-Smart towns and n=10 standard shrinkage towns, with the remaining n=82 towns in the population growth group.

FINDINGS

Shrink-Smart towns have a high quality of life despite declining populations.

- Services are rated much higher than in standard shrinkage places, especially in terms of medical care, child services, job opportunities, senior services, and local government. Quality of housing and K-12 schools are rated about the same.

- The quality of all services has improved over the past 20 years, especially in medical and dependent care (child and senior) services, but less so in jobs and local government.

Shrink-Smart towns have improving, not higher, economic outcomes.

- Shrink-Smart communities have faster growing median incomes, slower gains in income inequality, and falling poverty. However, they are not different from standard shrinkage communities in terms of base rate of income, poverty, and inequality.

Shrink-Smart towns have more middle-skill and middle-wage jobs.

- More residents in Shrink-Smart communities are employed in the goods producing (manufacturing, construction, mining), transportation, communications, and utilities sectors – all which provide middle-skill and middle-wage jobs with decent benefits.

- By contrast, fewer Shrink-Smart residents have jobs in relatively low-skill and low-wage sectors like retail trade and leisure services (food, accommodation, entertainment, personal care).

Shrink-Smart towns are more diverse.

- Demographically, shrink-smart towns have more and increasing numbers of minority residents, especially Hispanics, despite overall population losses. Given the positive economic findings above, this finding runs counter to negative public perceptions minority and especially immigrant households.

ABOUT THE SMALL TOWNS PROJECT

The Iowa Small Towns Project (ISTP) is a coordinated research and extension effort headed by ISU’s Department of Sociology. The ISTP is a continuation of the Sigma Study, a USDA-funded project that 99 communities have participated in every decade since 1994. The biannual Small Town Poll includes the original 99 communities plus 25 new ones to increase representativeness of small towns. The ISTP asks Iowa’s small towns a core set of questions assessing local services and amenities, social conditions, and quality of life in their community. In addition, the poll also gauges attitudes towards issues relevant to Iowa. The goal is to inform policy discussions that impact rural areas and small towns in Iowa. No other project in the U.S. examines community life for such a large number of small towns, as this project has done now for over two decades.