SMALL TOWN IN GLOBAL SOCIETY

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ABSTRACT

After passing through eras labeled as “Small Town in Isolation” and “Small Town in Mass Society,” it is argued that we are now entering the era of “Small Town in Global Society.” Two factors that distinguish global society from mass society are worldwide competition and the reduced relevance of location. Outcomes of the transition to global society include the increased importance of amenity resources and a major economic structure transformation. To survive and prosper in a global society will require community leaders and development specialists to understand the inherent obstacles and constraints, and then to make informed decisions and take the appropriate actions. A typology to help understand and predict community change is developed and suggestions for community leaders, development specialists and researchers are provided.

RURAL COMMUNITIES AND HISTORICAL CHANGE

No community is an island. Communities have always, to one degree or another, been affected by events occurring outside community boundaries. This is especially true of the communities of rural America. At times, outside events have resulted in some communities having significant economic and demographic advantages over other communities, while later changes drastically altered the slope of the playing field. It is essential that community leaders and development specialists be aware of these outside forces and be prepared for the specific impacts they may have on their community. In this manuscript, I argue that we are entering a new era where the obstacles and opportunities faced by communities are very different from those faced even a few years ago. My objective is to describe the events that have lead to this transformation, outline basic changes resulting from the emergence of this new era, and begin a discussion of how communities can most effectively deal with these changing circumstances.
**Small Town in Isolation**

During the westward expansion of the United States, settlers were attracted to areas where available resources allowed them to make an economic livelihood. In time, communities emerged to meet the needs of these settlers (Albrecht 2004). Eventually, thousands of communities were scattered across the country, with most remaining small and rural as the years passed. For the most part, these small communities were similar to one another in two major respects. First, they were primarily dependent on agriculture, forestry, fisheries, mining or another resource-based industry. Second, these communities were largely self-sufficient in that they were generally able to meet their own food and shelter needs. Self-sufficiency was essential because transportation and communication with the outside world was slow and undependable. Consequently, in general, before the middle decades of the twentieth century, rural America could be described as “Small Town in Isolation.”

**Small Town in Mass Society**

In the 1950s, Vidich and Bensman (1958) wrote an influential book titled “Small Town in Mass Society.” This book, and other research of the era, described how the emergence of “mass society” had ended the era of “Small Town in Isolation.” The implications of the emergence of “mass society” on small towns were immense both culturally and economically. Better communication reduced rural isolation as nonmetro residents were watching the same television shows, listening to the same radio programs, and reading the same newspapers and magazines as metro residents. Enhanced transportation meant that residents of even the most remote hinterland had quick access to major urban centers (Bealer et al. 1965; Bender 1975). Numerous scholars noted how these changes combined to make rural populations less distinct, with norms, values, attitudes and behaviors becoming increasingly similar to those of urban residents (Friedland 2002; Wirth 1938).

The emergence of “mass society” also had substantial economic implications. Improved agricultural technology developed in faraway places meant that each individual producer could operate a much larger farm. As a result, the size of the average farm increased greatly, and the number of farms diminished rapidly (Albrecht and Murdock 1990; Dorner 1983; Paarlberg 1980). Millions of people left the farm and migrated to the city to seek employment in what Calvin Beale (1993) described as the largest peacetime movement of people in U.S. history. Plummeting rural populations meant disaster for many businesses in small towns (Rogers 1982). This problem was exacerbated as better transportation resulted in rural residents conducting most of their business in urban areas.
On the other hand, improved transportation made it possible for the booming manufacturing sector to move to rural areas where industry could employ displaced farm workers while avoiding unionization and keeping labor costs lower (Fuguitt et al. 1989). The increased availability of manufacturing jobs in rural areas slowed the pace of rural to urban migration. Eventually manufacturing employment far exceeded agricultural employment in rural areas. By 2000, only 5 percent of the nonmetro labor force was employed in agriculture.

The transition from “Small Town in Isolation” to “Small Town in Mass Society” had impacts on some communities that were very different from the impacts on other communities. Some communities were much more successful than other communities in attracting manufacturing employment, and the decline of agriculture had much more significant impacts for some communities than others (Johansen and Fuguitt 1984; Fuguitt et al. 1989). Thus, during this transition, some communities thrived while others struggled to survive.

Small Town in Global Society

In recent years, rural America is apparently in the midst of another major transformation. Communities in rural America, whether they want to or not, are being forced to transform from “Small Town in Mass Society” to “Small Town in Global Society.” Again, this transition is likely to have immense consequences, and some communities may thrive while others struggle to survive.

The emergence of this global society is a direct consequence of increased globalization. Simply defined, globalization is the internationalization of markets. Globalization occurs whenever a market expands to include producers and consumers in more than one nation (Rudel 2002). The increased importance of globalization is a result of two major international developments that both became prominent during the 1990s. The first event was a major change in the manner by which nations relate to one another. For 45 years following World War II, the world was dominated by the Cold War. During the Cold War, the world was divided into a communist camp, a Western camp, and a group of developing nations that were in a neutral camp where there was an intense campaign by the other two camps to obtain their loyalty. Divisions, walls and curtains between nations dominated world relations (Kennedy and Hitchcock 2000). Trade between nations and communication among individuals was greatly curtailed depending on which camp the nation or individual was in. All of this changed with the collapse of the Soviet Union and communism in Eastern Europe beginning in 1989. The end of the Cold War was accompanied by the removal of divisions, walls and curtains between
nations. Interaction and integration subsequently increased immensely, with the result being a much more global world. Not all nations are involved in the new world order, but the number of nations involved has increased dramatically. Trade between nations, based more extensively than ever on market rules and free trade, has grown significantly (Wolf 2004).

While the end of the Cold War opened the door to globalization, the second set of developments paved the path of globalization and made it a much more vital force. These developments include the computer, the internet and other forms of information and communication technology. This technology began to have worldwide impacts in the 1970s and 1980s, but tremendous improvements during the 1990s allowed rapid advancements in the extent to which information could be stored, accessed and transferred. Further, this technology has become so cheap that it is available to most individuals and companies. With Cold War walls removed, new communication and information technology made interactions much more rapid and complete, and removed many geographic constraints that previously existed.

**Distinguishing Features of Global Society**

While the extent and breadth of changes resulting from globalization are great, two factors that distinguish global society from mass society are likely to be especially significant for communities in rural America. These include increased global competition and the decreased relevance of location.

**Global Competition**

While there has always been international trade, historically, most of the commodities produced in a nation were also consumed in that nation. In fact, commodities were often largely consumed in the same area of the country in which they were produced. Transportation problems and a short shelf life were limiting factors. Even products that could be transported were often restricted by tariffs and other restraints on international trade. Thus, many commodities had a guaranteed and protected market in their local area or in their home country. The removal of many trade barriers following the end of the Cold War greatly changed these circumstances. This was accompanied by improved transportation that allowed products to be moved more quickly and cheaply than ever before. Simultaneously, rapid improvements in communication technology allowed people all over the world to be aware of which products were available and to compare and make informed decisions relative to the cost and quality of products when making purchases. This
means that more products than ever before are competing in a world marketplace. Now, if wheat can be produced cheaper in Argentina or Australia or Russia than it can in Kansas, then Kansas wheat farmers are going to face more serious competition than ever before. Buyers all over the world, including those in Kansas City, St. Louis or Chicago, are going to purchase their wheat where it can be obtained the cheapest. Producers are now less protected by trade barriers that prevent competition with producers in other nations, and they are less protected by time and distance. Similar global competition is faced by textile factories in Georgia, plywood factories in Louisiana, or ski resorts in Colorado.

Globalization has resulted in higher levels of global competition where the stakes are more likely to be “winner takes all.” Thus, increased international competition will likely result in circumstances where some areas win and others lose. Those areas that have comparative advantages over other areas in the world that are attempting to provide the same product will benefit as their potential market increases. Conversely, those areas that are comparatively disadvantaged are likely to suffer. This global competition is especially relevant for nonmetro communities that are often heavily dependent on a single product or industry. The consequences could be disastrous for a community dependent on a product or industry that loses in the global marketplace, while communities that win are likely to grow and prosper.

**Decreased Relevance of Location**

Throughout most of U.S. history, many better paying jobs were located in metro communities because metro communities, by definition, had the advantage of being near markets and customers. Thus, rural communities have consistently been disadvantaged economically. In rural areas, average incomes have been lower, poverty levels have been higher, and underemployment and unemployment levels have been more extensive (Albrecht et al. 2000; Beaulieu 2002; Tigges and Tootle 1990). Consequently, throughout our nation’s history, there has been a near-steady migration stream from nonmetro to metro areas as individuals and families seek improved economic opportunities (Johnson 1989).

Now, because of computers and improved information and communication technology, many high quality jobs created by globalization have a greater degree of geographic flexibility than in the past. Many individuals, families and firms can establish their homes and businesses where they wish and still be connected to the necessary markets and customers. Some scholars believe that nonmetro areas have
the potential of attracting a relatively high proportion of these high-quality jobs (Allen and Dillman 1994).

**Consequences for Small Towns in a Global Society**

The increased global competition and reduced relevance of location resulting from the emergence of global society are likely to have several significant consequences for small towns. Among the most important are the increased importance of amenities and economic restructuring.

**Increased Importance of Amenities**

Historically, the initial settlement and subsequent development of communities in rural areas was strongly related to the presence or absence of traditional natural resources such as minerals, timber, and most critically, the soil, water, and climate conducive to agricultural production (Albrecht and Murdock 1990, England and Brown 2003). Where traditional natural resources were most extensive, the subsequent population that could be supported was greater and life could be lived more abundantly (Albrecht and Murdock 2002). In contrast, where the land was too dry or mountainous for agriculture, or where other resources were lacking, settlement was subsequently limited. The presence or absence of amenity resources mattered little.

Globalization patterns that resulted in the reduced relevance of location have greatly altered the relationship between resources and development. Specifically, it could be argued that the significance of traditional natural resources in community development has diminished, while the importance of amenity resources has increased (Goe et al. 2003). For purposes of this manuscript, amenity resources are the combinations of factors that comprise an aesthetically pleasing environment. Generally, a community with high quality amenity resources may have a favorable climate with sufficient sunshine and without extreme heat or cold, a varied and appealing landscape, and perhaps the availability of water resources such as rivers, lakes or the ocean front (McGranahan 1999). Obviously, communities have different combinations of these aesthetic factors and some of these factors are more important to some individuals than to others. Regardless, in a global society, there are numerous individuals with mobile jobs that may choose to live in rural areas. Most of these individuals, however, will likely choose to live in select areas with high quality amenity resources (Albrecht 2004).
Economic Restructuring

Perhaps the most basic or fundamental change resulting from globalization is a significant economic structure transformation. As noted earlier, rural areas of the United States were once heavily dependent on agriculture and other natural resource-based industries. Then from the middle decades of the twentieth century, the mechanization of agriculture resulted in a substantial decline in agricultural employment that has slowed only because the number of farmers is now so small. Today there are even concerns that most U.S. animal agriculture is moving to foreign countries, a direct consequence of increased globalization. Manufacturing eventually replaced natural resource industries as the primary source of rural employment. Then, beginning in the late 1970s, the number and proportion of manufacturing jobs in the United States began an initial decline (Bluestone and Harrison 1982; Sassen 1990) that has since increased in scope and magnitude (Morris and Western 1999). Many lost manufacturing jobs were in rural communities. Some manufacturing jobs were lost because of technological advancements where machines replaced human labor in the production process. Many other manufacturing jobs have been outsourced to foreign countries by multinational corporations to take advantage of lower wages available in these countries (Morris and Western 1999). Declining manufacturing employment is a direct result of increased global competition where U.S. communities have lost to communities in foreign countries, generally because employers can pay lower wages in those countries.

Numerous rural communities are being dramatically affected as agriculture continues to decline or when manufacturing firms that once provided the major source of employment for community residents are closed (Falk et al. 2003). At the national level, losses of jobs in agriculture and manufacturing have been more than offset by significant increases in service sector employment (Albrecht 2004). Economic restructuring is important because agricultural jobs are fundamentally different from industrial jobs, which in turn are fundamentally different from service jobs. Different industries have different wage structure and different work schedules for their employees; they require different levels and types of education; they differ in the types of relationships that exist between owners and workers; and they vary in the proportion of the workforce that is either male or female. These and other factors are likely to have major implications for individuals, relationships within families, the strength of community institutions, political outlooks and numerous other aspects of life.
Economic restructuring will have major consequences for communities because of differences between agricultural and manufacturing employment and employment in the service sector. A significant difference between manufacturing and service employment is that most manufacturing jobs are middle-income while service jobs are much more diverse. Some new service jobs are high quality jobs that generally require advanced education or training to obtain (Sassen 1990). For example, according to data from the Current Population Survey, the average annual compensation for persons working in the professional, scientific and technical services was $68,436 in 2000. Other services tend to be middle income. In 2000, average total annual compensation for workers in education and health services was $39,603. However, many other service jobs could be described as low-pay, low-skill, temporary and seasonal (Albrecht 2004; Kassab and Luloff 1993). Thus, total compensation for persons working in the leisure and hospitality services averaged only $21,625. Because growth in the number of low-quality service jobs has exceeded growth in other types of service employment, the decline in earnings between the jobs lost (mostly middle-income manufacturing) and the new jobs created (mostly low-income service) has reached $10,000 (Morris and Western 1999). The likely outcomes of replacing largely middle income manufacturing jobs with many low-paying service jobs include higher rates of poverty and inequality.

**Community Development Implications of a Global Society**

Community leaders and development specialists face major obstacles and opportunities that are likely to vary extensively from one community to another as we advance into the era of “Small Town in Global Society.” Figure 1 provides a typology intended to stimulate research and to provide a framework to help community leaders and development specialists predict the general direction of change for their community. This understanding can then provide insights to guide the planning process.

The typology in Figure 1 arrays communities on the two variables cited earlier as critical in the transition to global society (economic structure and amenity resources). The first variable is the extent to which the community is currently dependent on the declining industries of agriculture and manufacturing. Communities with greater dependence on these industries are more likely to experience demographic and economic declines resulting from reduced employment in these sectors. The second variable in the model is the presence or absence of amenity resources. Communities in areas with aesthetic advantages can attract employment in the growing service sector given the reduced relevance of location.
Figure 1. Typology of the obstacles and opportunities for communities in an era of global society.

<table>
<thead>
<tr>
<th>Quality of Amenity Resources</th>
<th>Dependence on Agricultural or Manufacturing Employment</th>
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| Low                          | Low Stability and Stagnation | 1 
| High                         | High Rapid Growth            | 2

To utilize this typology, communities should realistically place themselves into one of the four quadrants depicted in Figure 1. Communities in the different quadrants of Figure 1 are likely to face very different obstacles, opportunities and constraints in the global society era. Some likely obstacles and opportunities are briefly discussed below. After placing themselves in a quadrant, and recognizing the obstacles and opportunities that lie ahead, it is then essential that a community plan be developed that most residents can buy into and support. This community plan will put communities in situations where they can enhance the benefits and limit the costs associated with being a part of a global society.

**Quadrant 1 – Dependence on Traditional Employment – Low Amenity Resources – Low**

The likely outcome for communities in this quadrant is stability and perhaps stagnation. These communities may not lose much of their existing economic base since they are not heavily dependent on agricultural or manufacturing employment. However, they may also have problems attracting service sector employment because of a lack of amenity resources. Stability may be welcomed in many communities, but leaders must strive to avoid stagnation. While community leaders have no control over the weather, some problems associated with a lack of amenity
resources can be overcome by keeping the community neat and clean, providing attractive parks and eliminating visual blights. Such action will allow the community to compete in the market for some service sector employers.

**Quadrant 2 – Dependence on Traditional Employment – Low Amenity Resources - High**

Communities in this quadrant are likely to experience rapid growth. This is because their high quality amenity resources make the community attractive to the expanding service sector, and they will not lose much of their existing economic base since they are not heavily dependent on the declining manufacturing and agricultural sectors. Never-the-less, community leaders and development specialists still face extensive challenges related to growth control. Because of the nature of service employment, typical outcomes of growth often include increased levels of poverty and inequality. Leaders need to be aware that attracting low wage jobs to the community may provide only limited economic benefits that may be outweighed by subsequent disadvantages. Thus, efforts should be made to attract jobs and employers that will provide economic benefits. In addition, rapid growth and the influx of newcomers may threaten the traditional benefits of rural living that include an opportunity of being closer to nature, living in a peaceful and safe community, having a greater sense of belonging, and being in a place where traditional religious and family values are strong (Bell 1994; Herbers 1986; Salamon 2003).

**Quadrant 3 – Dependence on Traditional Employment – High Amenity Resources - Low**

These are the communities that may be the most disadvantaged as we enter the global society era. Communities in this quadrant have traditionally been dependent on agricultural or manufacturing employment and thus face the economic downturns associated with declines in these industries. Simultaneously, these communities lack amenity resources that could help them attract service sector employment. These communities face the same challenges that have plagued rural communities for decades as they attempt to retain a viable economic base while relying on declining industries. Without effective intervention by community leaders and development specialists, the likely result for such communities will be demographic and economic stagnation and decline. To avoid this path, communities need to evaluate their strengths and weaknesses realistically, and build upon their strengths while minimizing their weaknesses. Although a community may lack
truly outstanding natural amenities, they can do their best to make their community as aesthetically pleasing as possible. As noted earlier, communities that are neat, clean, have attractive parks and open space, and lack environmental blights will be more attractive in today's world than communities lacking such benefits. Further, creative planning could play a role in keeping the agricultural and manufacturing sectors as strong as possible.

**Quadrant 4 – Dependence on Traditional Employment - High Amenity Resources - High**

Communities in this quadrant likely face an extensive economic transformation. Their traditional source of employment (agriculture and manufacturing) will most likely decline. However, communities in this quadrant can attract jobs in the expanding service sector. A potential concern resulting from an extensive transformation is conflict as the traditional leaders see their power base erode. Current community leaders must attempt to work effectively with newcomers. Again, carefully implemented plans and programs could help the community avoid the problems sometimes associated with service sector growth. Specifically, efforts can be made to attract the kinds of businesses that allow the community to maintain aesthetic values while paying sufficient wages so that the problems of poverty and inequality can be minimized.

**Conclusions**

Obviously much work remains not only for community leaders and development specialists, but also for researchers as well. It is hoped that researchers will carefully test the Figure 1 typology to see if the predicted outcomes actually occur. Other issues associated with the emergence of global society should be explored. Case studies and regional studies may be especially helpful as the impacts are likely to vary extensively from region to region and from community to community. Finally, it is critical that there is a dialogue among community leaders and development specialists about the relative effectiveness of different plans and programs in helping communities deal with these critical issues.
References


