

Improved Economy, Recreation, and Suburbanization Fuel Rural Rebound

A new study confirms that new jobs, retirees, recreation and spillover from nearby cities lead the diverse reasons for Minnesota's widespread rural population rebound. The study covers five counties that are growing faster than in the 1980s and five that are losing population at a much slower rate. An earlier study found similar themes among 12 counties that lost population in the 1980s but are growing in the 1990s (*PopBites*, July 1997).

Faster-growing counties have strong job growth

The five faster-growing counties have experienced strong gains in employment, and all have seen both natural increase and net in-migration (more people moving in than moving out). Beyond that, they are very diverse. Houston County is experiencing spillover development from neighboring LaCrosse, Wisc. Suburbanization is also important in Mille Lacs County, where growth is extending outward from the Minneapolis-St. Paul and St. Cloud regions. An American Indian casino and recreation are other reasons for increases in Mille Lacs County. A variety of industries, including many manufacturing enterprises, have expanded the job base in Morrison County. In Steele County, Owatonna's booming and diverse economy has created many jobs in manufacturing, insurance and other industries. Growth in Cass County has been driven by recreation and retirement and by the opening of two casinos.

Better farm economy curbs population losses

The five counties with smaller losses are generally located in the western and southern parts of the state, where agriculture remains a central part of the local economy. The farm economy this

decade is much improved, and this has played a role in stabilizing population in these counties.

Among the slower-losing counties, Renville County stands out for developing value-added agriculturally-related industries. Many farmers have built high-tech hog confinement operations, and local co-ops have added aquaculture and egg production enterprises. Grant County has become a bedroom community for prospering nearby cities such as Alexandria and Fergus Falls. The same thing has happened in Murray County, where people are building year-round homes on Lake Shetek and Lake Sarah, often commuting to jobs outside the county. A major employer in Yellow Medicine County decided to stay and build a new facility in Granite Falls. Several other local industries have done well, and in the western end of the county Canby has found a niche as a small regional center. In Martin County, a couple of major employers have laid people off, but the generally strong economy has increased demand for other local products. Hog feedlot development in Martin County has been extensive.

This issue of *PopBites* summarizes "Population Turnaround in Rural Minnesota: Ten More Case Studies," a working paper by Karin Holt, Martha McMurry, Dave Rademacher, Barbara Ronningen and Diana Telschow. To receive a copy of the paper, call the State Demographic Center Helpline at 612-296-2557 or write to Minnesota Planning, 658 Cedar St., St. Paul, MN 55155.

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