

A Snapshot of Rural Illinois

Introduction

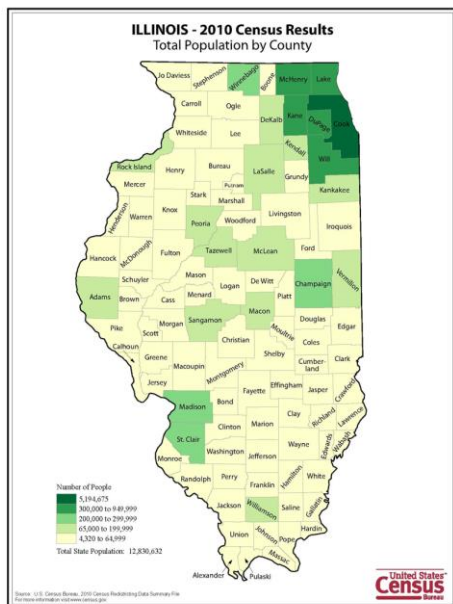
When people from outside the Midwest think about Illinois, they generally only think about Chicago, not imagining there is more to the state than America's third largest city. But Illinois is surprisingly complex, with a diverse geography and set of socio-economic conditions. Here are some key points to consider:

- **Illinois Demographics**
 - **Rural Places Matter.** Illinois is dominated by Chicago, but rural Illinois still has an enormous presence and its diversity complicates easy solutions to myriad challenges.
 - **Rural Depopulation.** The population of Illinois has grown slowly during the first two decades of the 21st century, but most of this growth has occurred in urban counties. Many rural counties have been losing population for decades.
 - **Aging Rural Population.** Like many Midwestern states, the average age of Illinois residents is increasing, but rural counties have an older population than urban counties.
- **Socio-Economics – Wages, Employment, and Education.** Urban counties have higher wages, lower unemployment rates and higher levels of educational attainment than rural counties.
- **Other Rural versus Urban Differences.**
 - Access to healthcare
 - Broadband accessibility
 - K-12 education funding
 - Public transportation
 - Crime
 - Longevity

1. Illinois Demographics – Rural Places Matter in Illinois

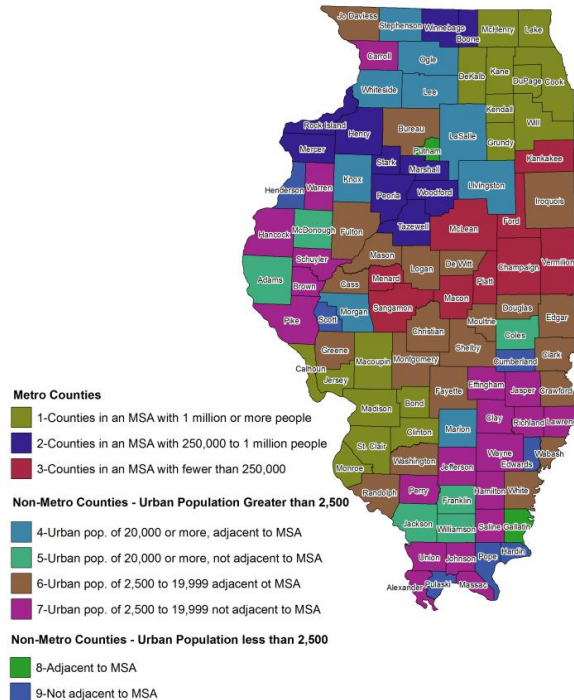
The enormous demographic, economic, and political impact of Chicago cannot be avoided when discussing Illinois demographics. Chicago's 2013 CMSA population was 9,537,289, representing 74% of Illinois total 2013 population of 12,890,552 (Fig. 1). But of the 102 counties in Illinois, only 36 are metro, with 66 or two-thirds defined as non-metro. And there are 1,657,000 people living in rural Illinois. This is more than the entire population of 12 states. Rural places matter.

Figure 1 – Total Population by County, 2010



In order to get a better sense of rural complexity, we use Rural-Urban Continuum Codes (RUCC). RUCCs, created by the USDA Economic Research Service, recognize that simply dividing counties into rural versus urban misses how county population sizes and densities exist along a continuum. RUCCs classify metro counties into categories 1, 2, or 3. Rural or non-metro counties are placed into codes 4 through 9 based on their population size and proximity to metro counties. Illinois counties identified by RUCCs can be found below (Fig. 2).

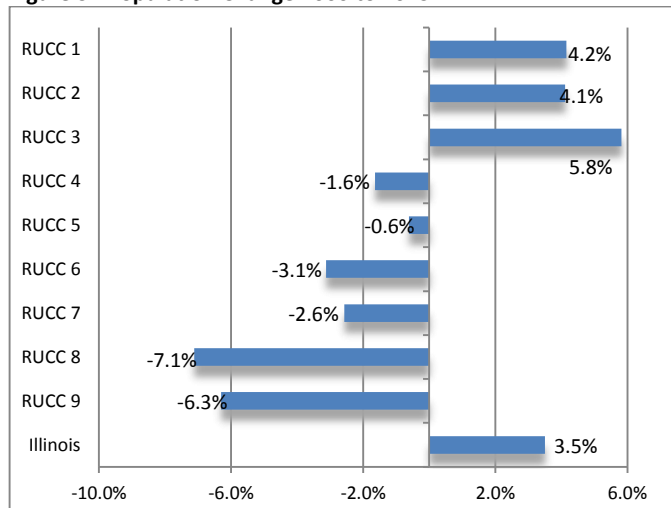
Figure 2 – Rural-Urban Continuum Codes for Illinois



Source: USDA Economic Research Service.

Using RUCCs shows that the largest population growth rates occurred in smaller metro areas along the I-74 corridor (e.g. Bloomington-Normal, Peoria, and Urbana-Champaign, followed by the large metro areas of Chicago, and the Metro-East area near St. Louis (Fig. 3).

Figure 3 - Population Change 2000 to 2013



Source: U.S. Census Bureau.

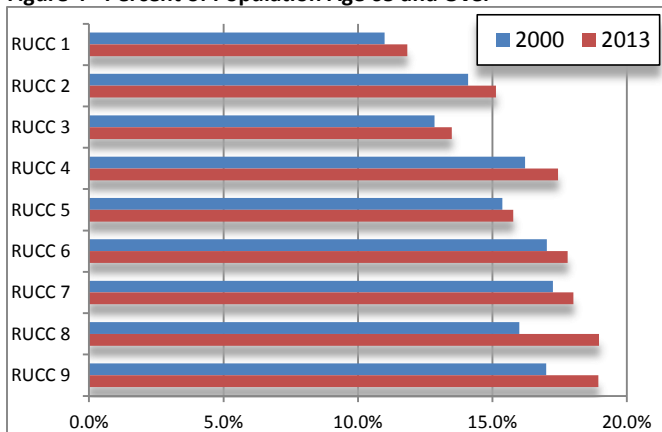
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All rural areas (RUCCs 4-9) in Illinois showed population declines since 2013. The most rural counties in west-central and southern Illinois showed especially large declines. It should be noted, however, that many of these counties have been declining for decades. For example, the population of Hancock County in west-central Illinois peaked in 1910. Decades-long secular decline is driven by several factors, but certainly technological changes in agriculture is a chief factor.

2. Socio-Economics – Wages, Employment, and Education

The diversity of Illinois Geography can be seen in other ways too. The average age in Illinois is getting higher, but there is a general trend that the more rural the country (i.e. the higher the RUCC), the older the average person (Fig. 4). This has implications for health care, housing, and the “transfer of wealth” issue. As the older generation retires and passes on, where will that wealth ultimately end up?

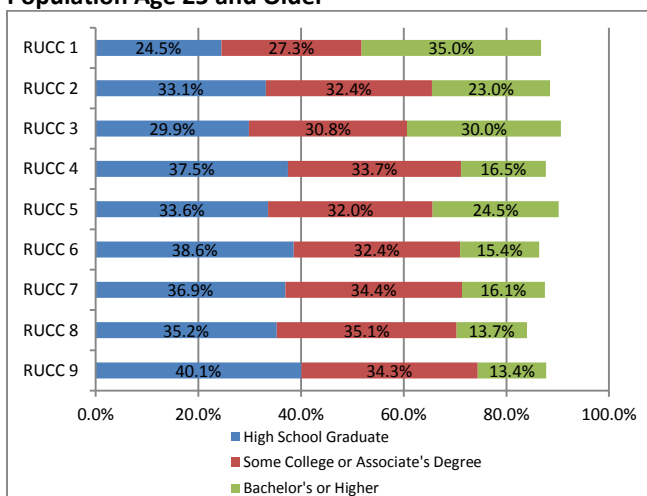
Figure 4 - Percent of Population Age 65 and Over



Source: US Census Bureau.

Educational attainment also varies across the state. Urban counties have the highest proportion of college-educated residents. But many rural counties also have high levels of residents with at least some higher education (Fig. 5).

Figure 5 – Highest Level of Educational Attainment for the Population Age 25 and Older



Source: U.S. Census Bureau 2009-2013 American Community Survey.

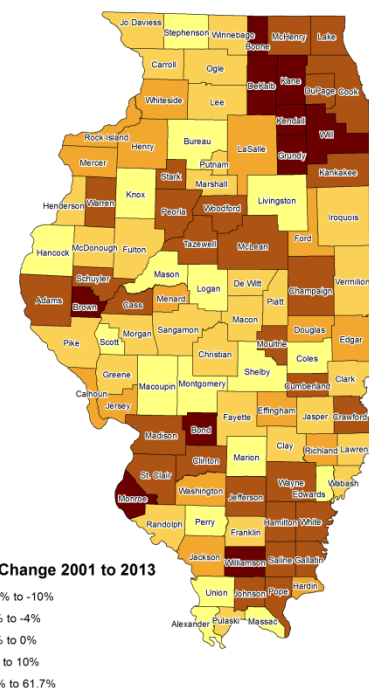
Job growth in Illinois has a distinct urban bias (Fig. 6). Many rural counties in Illinois have had diverse economic bases in the past. Farm implement manufacturers such as International Harvester, and appliance manufacturers such as Maytag once had large facilities in rural Illinois. However, many of these manufacturing jobs have been outsourced or made redundant through technology. However, manufacturing jobs still matter. Some sectors of recent rural job growth include food processing (e.g. meat packing), and light manufacturing such as building materials (e.g. Pella Windows). Public sector and non-profit job growth is also important for rural places (e.g. prisons and higher education).

When many urban people think about rural places, they assume that agriculture is the dominant sector. A century ago, this may have been true. However, agriculture no longer dominates rural economies in terms of employment, and its role as an employer of rural workers is declining (Fig. 7 and Table 1). The declining importance of agricultural employment is caused by the intensifying using of technology on farms, which increases farm productivity and the need for larger farms, but reduces the number of farms and farm workers needed.

This also has a negative ripple effect on rural demographics. As the farm population shrinks, this can reduce demand for retail stores, health care, public school education, and so forth. This can lead to a declining rural tax base which has profound implications for rural infrastructure, the quality of rural health care, and public education.

Another implication for the loss of manufacturing jobs in rural Illinois, coupled with outmigration, is the growing rural versus urban wage gap. The general trend is that the more rural the country, the lower the average wage (Fig. 8). The one outlier is that the most rural counties have the highest incomes of all rural counties. This is due in part to the high incomes of some large-scale farmers, as well as retirees.

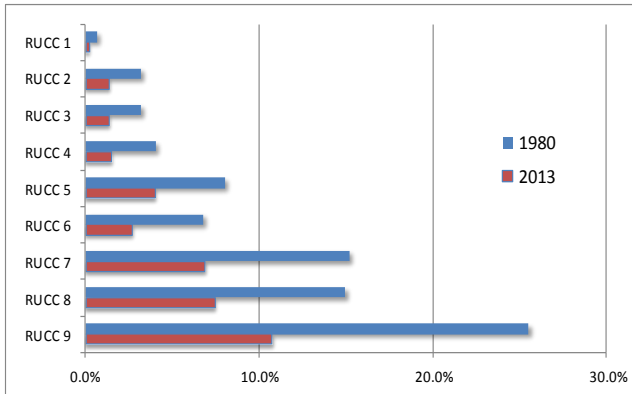
Figure 6 – Change in Employment – 2001 to 2013



Source: Bureau of Economic Analysis.

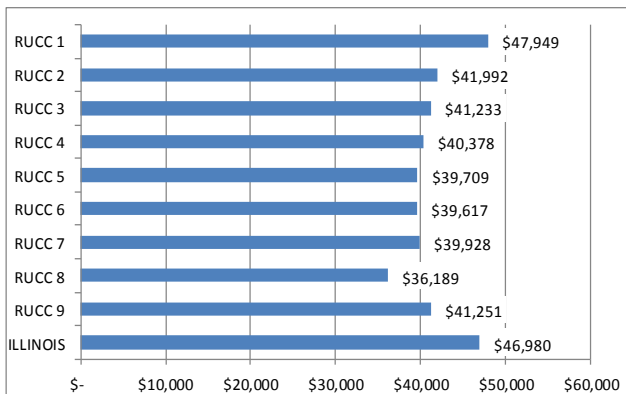
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Figure 7 - Farm Employment as a Share of Total Employment - 1980 and 2013



Source: Bureau of Economic Analysis.

Figure 8 – Per Capita Personal Income in 2013



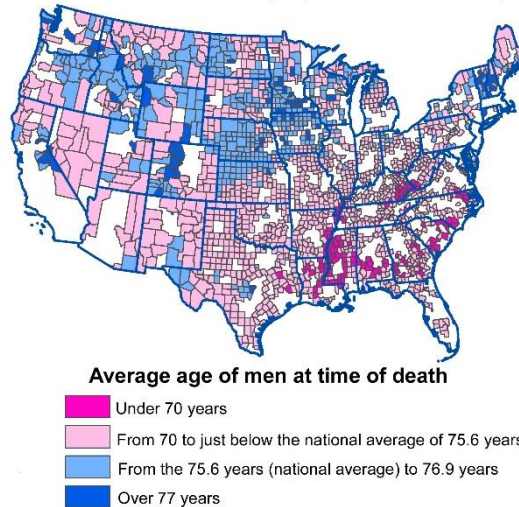
Source: Bureau of Economic Analysis.

3. Other Rural versus Urban Differences

There are other rural versus urban differences worth noting. In parts of rural America, and in the Chicago Federal Reserve District, many rural people have shorter life expectancies than the national average, and less than people living in urban areas (Fig. 9). This is due to occupational hazards (e.g. farming, mining) and lifestyle (e.g. smoking). But there are other factors at work too, including availability of health care and opportunities for recreation. Note that male residents of Iowa and Wisconsin live longer than rural males in Illinois. Other factors affecting public health and community well-being in rural places include surprisingly high crime rates, lagging broadband accessibility, and deficient funding for K-12 education.

Figure 9 – The Average Age of Death of Men in Rural America, 2007

In most rural counties, men's longevity falls below national average



Source: Daily Yonder 2011 and Time 2013 (<http://science.time.com/2013/07/23/in-town-versus-country-it-turns-out-that-cities-are-the-safest-places-to-live/>).

Table 1. Illinois Metro and Non-Metro Employment by Sector, 2014

By Industry	Total Number of Persons Employed 16 years and Older			Percent of Total Persons Employed 16 Years and Older		
	Illinois	Illinois Metro	Illinois Non-metro	Illinois	Illinois Metro	Illinois Non-metro
Civilian employed population 16 years and over	5,998,320	5,264,541	733,779	100.0%	100.0%	100.0%
Agriculture, forestry, fishing and hunting, & mining	63,113	29,584	33,529	1.1%	0.6%	4.6%
Construction	310,368	263,763	46,605	5.2%	5.0%	6.4%
Manufacturing	756,029	650,544	105,485	12.6%	12.4%	14.4%
Wholesale trade	184,209	164,286	19,923	3.1%	3.1%	2.7%
Retail trade	655,654	565,018	90,636	10.9%	10.7%	12.4%
Transportation and warehousing, and utilities	348,569	304,478	44,091	19.8%	19.6%	21.1%
Information	126,311	115,157	11,154	2.1%	2.2%	1.5%
Finance and insurance, and real estate / rental / leasing	447,732	413,020	34,712	7.5%	7.8%	4.7%
Professional, scientific, and management, and administrative and waste management services	666,163	626,205	39,958	11.1%	11.9%	5.4%
Educational services, health care and social assistance	1,379,821	1,196,698	183,123	23.0%	22.7%	25.0%
Arts, entertainment, and recreation, and accommodation and food services	538,646	483,379	55,267	9.0%	9.2%	7.5%

Source: U.S. Bureau of the Census, Table DP03 Selected Economic Characteristics, downloaded January, 29 2015.