



Marginalized Rural Americans

Economic Development Implications

By Don Macke with Kimberlee Spillers

June 2021

On January 6, 2021, our national Capitol was attacked by Americans. I knew there were planned protests but never dreamed that an insurrection and attack on our Capitol building and U.S. Congress would ever be in the cards. This apex event illustrates a building storm among Americans who feel marginalized and have now turned to antisocial and violent behavior. When feelings are raw, it is hard to have reasoned perspective.

Introduction

At e2, we often serve as a bridge between urban and rural America. Whether it is the media or national development groups, we are often asked to help provide understanding and connections with rural America, and between urban and rural America. For some time, we have been considering writing a paper on marginalized rural Americans. With the attack on our national Capitol building, it seemed time to move this topic up in importance. Marginalization is not just a rural phenomenon, it is present throughout our society and universal, regardless of geography. But our wheelhouse at e2 is rural America and so, it is from this perspective that we share our insights and views. This paper is organized into the following sections:

- Why this topic is profoundly important to all of us
- What do we mean by marginalization?
- Rural America and marginalization
- Implications for rural development and prosperity
- Recommended reading

Our intent in this paper is not political, but one of the manifestations of marginalization **is** political, as illustrated by the January 6, 2021 attack on our nation's Capital Building by an angry mob, believing - rooted in false information - that power elites in America had taken the presidential election away from them. As you will discover in this paper, marginalization manifests itself in many ways, including extreme political action, but, more commonly, by civic disengagement and destructive personal behavior. We recognize this is a **wicked issue** and hard to address. That said, it is critical that rural America engage in this conversation, as it is foundational to future rural development and prosperity. Central to entrepreneurial communities is creating universal opportunities for Americans to pursue their own dreams, and, in doing so, contribute to the socioeconomic vitality of their communities and regions.

Wicked Issue Defined

In planning and policy, a wicked problem is a problem that is difficult or impossible to solve because of incomplete, contradictory, and changing requirements that are often difficult to recognize.

Source - Wikipedia.

We share this paper with the hope that it can do two things. First, elevate rural resident marginalization due to failing economies and societies as a national, state, and local policy priority. Second, embrace and provide robust support for entrepreneur-led development to create greater economic opportunities and prosperity in distressed communities – both rural and urban.

Why this Topic is Profoundly Important to All of Us

As a free market, capitalistic and social democracy, the United States embraces the ideal that any resident, regardless of their background or circumstance, can achieve their dreams with enough hard work. This is an aspiration found in our schoolbooks, movies, and culture, but this is a work-in-progress. In her New York Times best-selling book, *Caste: The Origins of Our Discontents*, Isabel Wilkerson provides rich insight into marginalization in America through the lens of “caste.” We strongly recommend this book. You can find it in our Recommended Reading section of this paper.

Caste Defined

For most Americans, any reference to caste brings up images of India and its social caste system that has been in play, stratifying its society for centuries. In her new book *Caste: The Origins of Our Discontents*, Isabel Wilkerson argues that the United States employs a powerful caste system largely along racial lines, dating back to slavery and anti-Chinese immigration laws. We would argue that caste systems are at play geographically and based on socioeconomic status as well, particularly as it relates to much of rural America.

The existence of caste systems in rural America helps explain the growing marginalization of entire rural populations and the regions in which they reside. Later in this paper we provide some recommended reading for additional insight on both the nature of marginalization and how it is holding rural America back from its fullest potential. The following is a short list of why increasing marginalization is both a threat and opportunity for the future of rural communities in America.

Consider these five implications.

1. Unrealized Rural Human Talent
2. Profound Social and Economic Crisis
3. Increased Rural-to-Urban Migration
4. Barrier to Urban-to-Rural Migration
5. Urban/Rural Divide

Unrealized Rural Human Talent. While some marginalized members of our communities pursue more radical political behavior, others simply disengage, often engaging in at-risk behavior. For this latter group, issues of substance abuse, domestic violence and family break-up, disengagement from the labor force, criminal activity, incarceration, and early death are the outcomes. In too many rural communities experiencing severe socioeconomic distress, we can measure this disengagement by highlighting labor force participation rates and the share of a demographic financial category called, “Hardship Related Government Transfer Payments,” to total personal income. We will address these metrics of marginalization in greater detail later in this paper.

Profound Social and Economic Costs. Whether it is marginalization-driven political behavior that becomes obsessive (e.g., corrupting work, family, and life elements) and violent, or disengagement behavior, there are high social and economic costs to the residents, their families and friends, the communities where they reside and the entire nation. Increased at-risk behavior translates to increasing drunk driving and highway accidents and fatalities, criminal activity and soaring criminal justice costs,

uncompensated healthcare costs and loss of human talent that could meet critically needed workforce demands.

A Driver in Rural-to-Urban Migration. It is our observation, based on our field experience, that one of the drivers of rural-to-urban migration that is contributing to rural depopulation is marginalization. In this case, rural communities, and their efforts to protect existing caste systems, create unwelcoming and even hostile environments for existing residents and particularly youth. In today's environment, urban America is considered more open to diversity and a willingness to embrace mobility based on talent and hard work. Whether this is adequately founded in truth, it is a perception. Parochial behavior, rooted in a form of caste systems, is costing rural America not its "best and brightest" necessarily, but a potentially more important population of risk takers, change agents, and abstract thinkers.

Defining Diversity

In the context of this thought paper, diversity is rooted in our community's residents. For many rural communities, particularly smaller and more isolated rural communities, there may be very limited diversity. In my childhood hometown of Mullen, Nebraska nearly 100% of its residents are White. From a racial standpoint, there is no diversity. For rural America to prosper and achieve stronger demographic health, it must embrace diversity as an asset and not a threat. Trends indicate that future new rural residents will be much more diverse in terms of race, religion, sexual orientation, national origin, and other attributes of our national population.

A Barrier to Urban-to-Rural Migration. Some urban Americans are moving to rural areas because of the perceived caste systems at play or where there is "frontier" space where self-marginalized households can find "freedom." Whether it is parts of rural Idaho or Northeastern Arizona, there are growing populations of survivalists working to be off the grid and pursuing anti-government political agendas. But for most Americans seeking lower cost and less congested rural communities, they are bringing certain cultural values with them. They are motivated to move to rural areas and are, in fact, doing so in increasing numbers, based on our research and that of others. But there is this potential barrier of the unwelcoming community that is hostile to diversity and embracing a form of ultra-conservative behavior often empowered and energized by conspiracy theory shared via social media. The countertrend of urban-to-rural migration holds tremendous opportunity for rural community revitalization. Check out our paper [Urban America is Filling Up](#) for more insight on this counter-migration trend. But realization of this opportunity requires more open and more welcoming communities.

The Spillers' Exercise

Our friends and colleagues, Frank and Kimberlee Spillers, owners of [Rural Community Solutions](#) based out of Southwestern Iowa, employ a remarkably powerful exercise related to new resident attraction. In many of the community visioning and planning sessions they moderate, communities identify new-resident attraction as a priority. In this exercise, Frank and Kim ask participants to privately describe and then share the perfect new resident. Oftentimes, this exercise generates descriptions of people who are like the current residents of a rural community. This exercise opens the door to talk about diversity and the likelihood that new residents will not necessarily be like current residents, leading to a discussion of becoming a welcoming community. To learn more about rural development and the importance of diversity check out our paper – [Is Your Community a JEDI Hometown?](#)

A Factor in the Urban and Rural Divide. There has long been an urban and rural divide. This divide has grown as America has increasingly become an urban nation, and the economic and political power of rural America has eroded. Every 10 years with redistricting, rural America loses representation at the federal level in Congress. As a child growing up in rural Nebraska, I felt inferior to urban residents. It was scary to leave the safety of Ogallala, Nebraska, where I graduated from high school and move to Lincoln, Nebraska to attend the University of Nebraska. From a practical standpoint the urban/rural divide is perceptual and political, rather than economic and social. The economies of rural and urban regions are highly articulated. Rural and urban residents share family members and friends. Urban Americans vacation and play in rural America. Rural residents travel to urban America to shop, seek entertainment and procure advanced healthcare. But the growing perceptual, ideological, and political urban/rural divide is real and appears to be growing. This divide is counter-productive in fostering regional collaboration and development.

What Do We Mean by Marginalization?

“...to relegate to an unimportant or powerless position within a society or group...”

Merriam-Webster Dictionary

Foundational to a successful social democracy is a widely shared belief in democratic institutions and processes that translate our votes and views into local, state, and national policies, as well as U.S. projections of power internationally. It is also a sense that our economic system is fair and offers genuine opportunities for mobility if we are willing to work hard. Decades of institutional and systematic discrimination based on color, for example, have challenged both the ability to engage equally in our democracy as well as in our economic system. Our shared suggested readings at the end of this paper go much deeper into the science, documentation, and illustration of institutionalized marginalization, primarily based on race and, to some degree, with immigrants, based on country of origin.

We would argue that as America has shifted from a predominantly rural economy and society into an urban one. In metropolitan or big city-based economy and society, the forces of marginalization are at work. To be clear, it is not the same story as hundreds of years of African American slavery, Jim Crow, and continuing white nationalism, as reflected in the Black Lives Matter movement. But it is present in rural America, more akin to lack of understanding, indifference, neglect, misguided policy, and the loss of political and economic power, given the overall rural-to-urban trends.

The Opposite of Marginalization. The opposite of marginalization is “enfranchisement” (historical definition: liberation from imprisonment or slavery, or belonging in a family, organization, community or even nation.)

The opposite of being marginalized centers on belonging, including active participation in work and civic affairs in one’s community, and a sense of agency.

When residents belong, they have greater agencies and are more likely to engage in a wider range of activities from employment to civic participation, including leading, volunteering, or just regularly

voting. A healthy economy, society, and democracy is rooted in resident engagement. The forces driving marginalization undermine economic, social, and democratic vitality.

When people, communities, and entire regions are marginalized over time, three primary manifestations occur, as illustrated in Figure 1.

Figure 1 – Three Outcomes of Rural Marginalization

<p>At-Risk Behavior & Disengagement</p>	<p>For many marginalized rural residents, the outcomes related to increasing at-risk behavior are reflected by substance abuse, criminal behavior, incarceration, and early death. Increasing at-risk behavior includes disengagement from mainstream social and economic activity, primarily reflected in dropping out of the workforce.</p>
<p>Anger & Political Backlash</p>	<p>As reflected in the spectrum from radicalized political activity on the left and right, anger and political backlash is an outcome of marginalization. In rural America, with fewer young people and less racial diversity, anger and political backlash is now reflected in the Tea Party, white nationalism, and Trumpism. In America’s cities, anger and political backlash are reflected in the Black Lives Matter movement, the protests and acts of civil disobedience illustrated in the summer of 2020, and with the pattern of young African American killings at the hands of local law enforcement.</p>
<p>Escape from Urban America Into Rural America</p>	<p>The third major outcome of marginalization is escape. Consider the massive African American migrations from rural areas in the south to urban and northern communities following failed Civil War Reconstruction and Jim Crow. But escaping marginalized status and lack of opportunity has impacted larger white communities in the farm belt, Rocky Mountain West, Timber Country, etc. where outmigration has also driven the rural-to-urban migration trends.</p>

The following text box addresses the topic of the individual and social ramifications when individuals and classes of individuals lose control and status. We feel like we are on thin ice here, so please bear with us as we address this powerfully important dynamic central to rural marginalization. For a more complete and thoughtful exploration of this topic, we recommend Nicholas Eberstadt’s book, *America’s Invisible Crisis – Men Without Work*. A fuller citation is provided in the last section of this paper.

Losing Control and Status

Isabel Wilkerson, in her book *Caste: The Origins of our Discontents*, provides powerful evidence and illustration of the dynamic when individuals and entire classes of people lose control. We encourage our readers to explore her book for deeper meaning on this topic. (A complete citation of this book is provided in the last section of this paper.) Declining labor force participation levels among white working age males in rural America is an indicator of marginalization. Many of these rural residents have been displaced by economic crashes – both local and regional – as mines have automated and closed, the loss of good paying manufacturing jobs and the profound impacts of losing one’s identity

as the primary breadwinner in a family. As entire industries in rural America have automated and/or been offshored, an entire generation of Rural Americans have gone from reliable and good paying work to no work or a patchwork of lower paying part-time and less secure work. There was a time, not that long ago, that young white males could find great unionized work in manufacturing, mining, and logistics (e.g., transportation, warehousing, etc.) with just a high school degree or even no degree. Those days are passing, impacting hundreds of thousands of rural Americans. Losing one's identity by losing a job and the ability to support a family is a powerful driver with increasing marginalization and the ramifications of at-risk behavior, outmigration, and increasing dissent against America's economic and political systems.

But as we might expect, the dynamics are more complex and also include the role of males within their families and communities. With the loss of breadwinner status, males are also losing control of their status as leaders of their families and communities. In some respects, this is good, where the power relationships within gender were not healthy or good. In losing control, males are allowing and even forcing women to step up into leadership roles, to become primary breadwinners and the glue keeping families together. But this loss of alpha-male control, has further marginalized males, creating either disengagement, or, too often, manifested by at-risk behavior, family abandonment, or conspiracy theory-driven violent behavior.

In time, as with generations in the past, displaced Americans will find new meaning and/or pass from the scene. For now, this is a powerful dynamic at work in rural and urban America. While it is pronounced with white, less-educated rural Americans, it is at play with a greater diversity of Americans throughout our vast landscape and society of lower paying, part-time and less secure work.

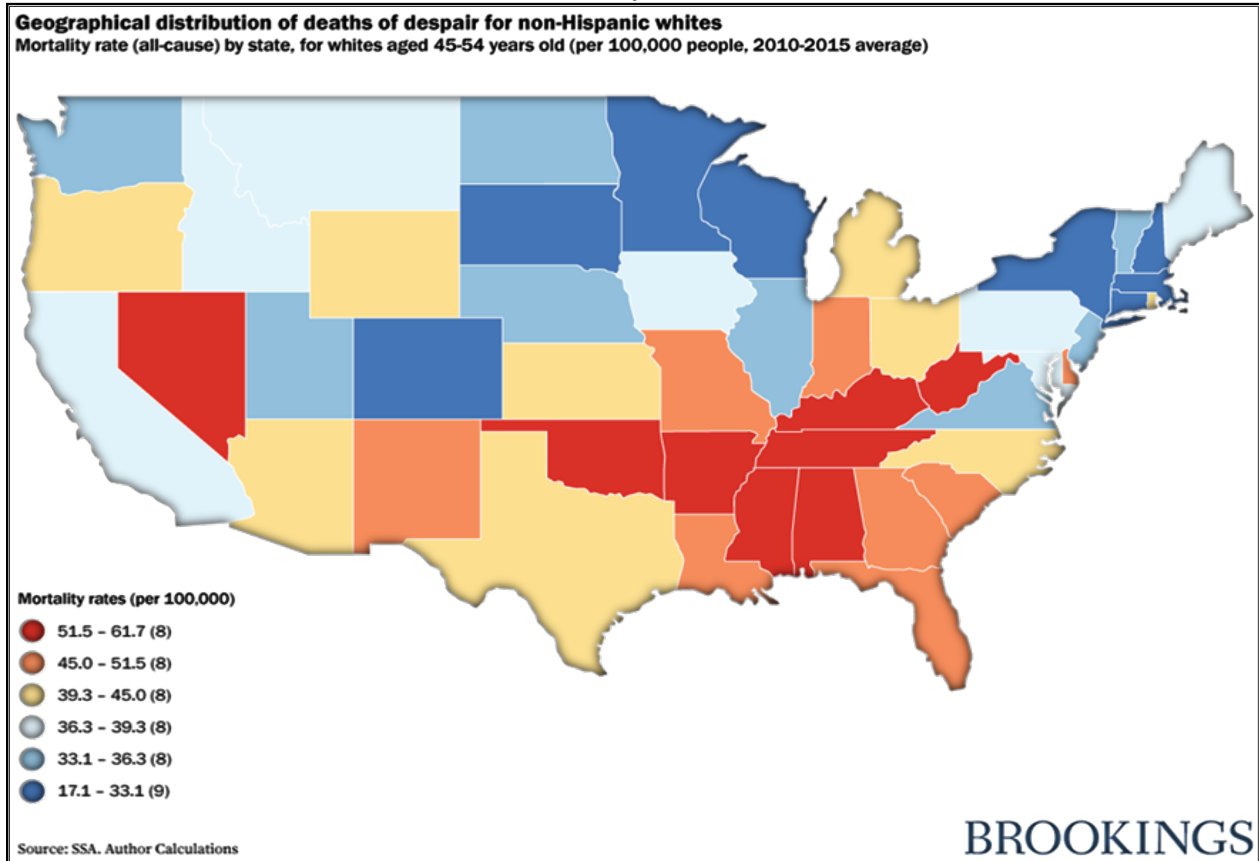
Rural America, too often rooted in one or two industries for its economic and social vitality, has, and is experiencing, transformative change creating socio-economic crashes. These crashes are driving chronic, severe, regional and community distress, resulting in rising levels of resident marginalization. The growing urban and rural cultural and political divide, in large part, is a product of the marginalization process. As we have always known, with a strong and vibrant middle class, there is buy-in with economic, social, cultural, and governmental systems. When increasing numbers of residents feel they are being left behind or are not being heard, the forces and outcomes of marginalization amplify and broaden.

Deaths of Despair

Coinciding with the number of marginalized citizens who employ migration or escape strategies, possibly the second greatest outcome of rural marginalization is at-risk behavior. While at-risk behavior increases in distressed urban neighborhoods and communities, it is particularly pronounced in rural areas that have been impacted by socioeconomic crashes with "stickiness" (i.e., choosing to stay versus leave).

The apex of at-risk behavior are "**deaths of despair**," caused by suicide and substance abuse. The following map, provided by the Brookings Institute, shows the geographic distribution of deaths for non-Hispanic whites in the United States.

Map 1



In another recommended read, economists Anne Case and Angus Deaton document a growing class divide in one area of American life after another in their book, [Deaths of Despair and the Future of Capitalism](#).

Now we transition to the ramifications of marginalization with respect to development and prosperity in Rural America.

Rural America and Marginalization

Chronically and severely distressed communities, whether urban or rural, generate resident marginalization behaviors manifested in Figure 1 presented earlier in this paper. Vast geographies in Rural America are experiencing this kind of distress due to socio-economic crashes. In our paper, [Economic Crashes, Mini-Case Studies](#), we provide an overview that illustrates the kinds of generational disruptive events and why they are important contexts as we address pathways to more impactful rural community economic development. Next let's explore the metrics of marginalization that can document the size and characteristics of rural marginalization.

Metrics of Marginalization

At e2, we employ four readily available metrics of marginalization in our work, as illustrated in Figure 2:

Figure 2 – Measuring or Predicting Marginalization in Rural Places – Key Indicators

<p>Indicator 1 Chronic and Severe Depopulation</p>	<p>When we do our analytics, we always check demographic health and explore demographic structure. When there is chronic and severe outmigration resulting in depopulation, this is a potential indicator of resident marginalization. It is particularly important to look at changes by age cohorts to better understand who is leaving or not.</p>
<p>Indicator 2 Hardship Related Government Transfer Payments</p>	<p>Government-funded “Hardship Related Transfer Payments,” is part of America’s safety net. They include public assistance, food support, Medicaid, and unemployment assistance. Communities with high and growing hardship payments are likely generating marginalized residents who are still in the community. In one Appalachian Kentucky county, hardship payments have grown from 10.2 percent in 1970 to 17.4 percent in 2018. Overall, Federal Transfer payments and Government account for nearly 50 percent of all personal income.</p>
<p>Indicator 3 Labor Force Participation Rates</p>	<p>Labor Force Participation measures available working-age adults who are in the labor force including both employed and unemployed. In distressed communities, Labor Force Participation rates often drop off due to residents disengaging from the workforce, disabled by substance abuse or incarceration.</p>
<p>Indicator 4 At-Risk Behavior</p>	<p>As noted earlier in this paper, one pathway for marginalized residents is to engage in at-risk behaviors, such as substance abuse and criminal activities. By employing the County Health Rankings, it is possible to gain both absolute and relative at-risk behavior. Coupled with census data, it is possible to employ these two free and highly reliable data sources to measure a community’s at-risk behavior.</p>

Next, we go deeper into the all-important indicator of labor force participation or disengagement, drawing on our recent work in Indiana.

Labor Force Disengagement

Throughout the United States, there is the chronic issue of households and individuals at risk. At-risk residents and their families may have the following characteristics:

- Dropped out of the labor force – no longer looking for work
- Chronic substance abuse
- Mental health issues
- Food insecurity
- Deep and chronic poverty
- Weak economies – lack of appropriate work opportunities

This section of our paper provides an overview of labor force participation rates as a way to identify potential concentrations of at-risk residents and communities.

The following data (Figure 3) provides an overview of the **U.S. Civilian Labor Force Participation Rates for 2018** for those residents 16 years of age and older:

Figure 3 – U.S. 2018 Civilian Labor Force Participation Rates

Category	All	Men	Women	Notes			
All	62.90	69.1	57.1	12% Gap between Men and Women			
				All	Men	Women	Notes
16-19				35.1	34.2	36.0	Lower due to school
20-24				71.1	73.2	69.0	Rising participation post-school
25-34				82.5	89.1	75.9	Peak for women
35-44				82.9	90.9	75.1	Peak for men
45-54				80.8	87.0	74.9	Impact of childbirth
55-64				65.0	71.2	59.1	Dropping rates with early retirement
65-74				27.0	31.6	23.1	Drops off with retirement
75+				8.7	11.9	6.4	Drops significantly off with aging

Source: U.S. Bureau of Labor Statistics, 10.22.2019

For reference, the 2018 Labor Force Participation Rate for Indiana is 64.5 percent or slightly higher when compared to the U.S. rate. Next, let’s take a look at the factors impacting labor force participation rates.

Factors Impacting Labor Force Participation Rates. e2 has identified the following top 10 factors that shape a nation’s, state’s, or community’s labor force participation rates. The first two are from the Bureau of Labor Statistics, and factors 3-10 are from e2 research.

1. The Bureau of Labor Statistics counts all **legal residents 16 and older** as potential members of the labor force.
2. The civilian labor force participation rates exclude those in the **U.S. Military and incarcerated persons**. *Note: labor force disengagement would be much higher for distressed communities if incarcerated persons were included in the federal statistics.*

Incarcerated Residents

If a person is incarcerated, they are not included in the federal government’s official calculation of available workforce. This makes sense on the surface. However, incarceration rates in the U.S. are among the highest in the developed world. America’s “war on drugs”

incarcerated huge numbers of - often minority - younger men, removing them temporarily (during incarceration) and often permanently (unemployable). Communities with high incarceration rates reflect communities with serious economic and social challenges.

3. **Age** is possibly the largest factor shaping participation rates. As the data in Figure 3 illustrates, participation rates rise as younger residents finish school and go to work. As we age, participation rates drop. However, given overall health improvements and financial needs, aging workers are staying in the labor force and fully retiring later. This trend is likely to continue during the next three decades, as Boomers age and transition.
4. **Gender** is also a factor. Historically, women have had lower participation rates. In 2018 the average participation rate for men was 69.1% compared to women with 57.1% or 12% gap, lower than men. Since World War II, and particularly with newer generations of women, participation rates are rising. Nevertheless, the role of women as mothers and caregivers in our society lowers their rates of out-of-home work. If caregiver roles were considered “work,” the participation rates for women would exceed those of men.
5. **Disabilities** continue to impact the ability of adults to engage in the workplace. Despite material progress in employing persons with disabilities, there continues to be significant barriers lowering the rate of employment for this segment of our society.
6. **Mental Health** issues adversely impact labor force participation rates. Persons with severe and untreated mental health issues have problems finding and keeping work. Communities with elevated mental health issues, coupled with weaker mental health services, tend to have lower participation rates.
7. **Chronic Poverty** can also impact participation rates. Persons in chronic poverty often lack housing, transportation, childcare, and other assets to find and keep employment. For example, a single working mother in poverty, employed at an hourly part-time job, may have to choose between going to work or taking care of a sick child. Reoccurring work absences or tardiness can cost these workers to lose their jobs.
8. **Education and Skills** can also impact participation rates. This is particularly true where there is a mismatch between a workers’ skills and the jobs available. As we have moved from a lower-skill to a higher-skill economy, we have significant numbers of workers, particularly older, white workers, who fall out of the labor force.
9. **Substance Abuse** adversely impacts labor force participation. Persons with chronic and severe substance-abuse health issues are less likely to get and keep work. Often, these residents fall out of the labor force for extended periods or forever.
10. **Legal Status** can be an issue. Undocumented persons are unlikely to be counted in the labor force. That said, however, undocumented persons tend to be employed. These workers are often subject to adverse labor practices because of their undocumented status.

Substance Abuse and Mental Health Issues

There is a powerful connection between residents with substance abuse and mental health issues. With the deinstitutionalization of persons with severe mental health issues and an overall weak mental healthcare system in the United States, the number of persons with mental health issues, combined with substance abuse, has impacted at-risk communities, who are experiencing both economic and social distress. These factors reduce labor force rates in these communities.

With respect to participation rates, race is not really an issue overall in the United States. However, in communities with high poverty, crime, and substance abuse, race can be a factor. The following are the 2018 civilian labor force participation rates for residents 16 and older in the United States:

- White and Non-Hispanic 62.1%
- Black 62.3%
- Asian 63.5%
- Hispanic 66.3%
- All Others 64.5%

How the Labor Force Participation Rate is Calculated. The U.S. Bureau of Labor Statistics calculated the labor force participation rate as follows:

1. All legal residents 16 years of age and older – total pool of potential workers.
2. Those in the military or incarcerated are excluded – civilian labor force.
3. Any person working or looking for work are considered in the labor force.
4. Persons looking for work, but not working, are included in the unemployment rate.
5. Persons who are not working or looking for work lower the labor force participation rate.

Alternative Labor Force Participation Rate

Labor force participation rates are not always available from the U.S. Bureau of Labor Statistics for unique geographies. An alternative approach employs the following quick math, based on universal statistics, for almost every possible geography.

1. Total resident population 20 to 64 years of age.
2. Total resident employment.
3. Dividing the value in Line 2 by Line 1 gives an approximate labor force participation rate.

Headwaters Economics. Based in Bozeman, Montana, Headwaters Economics produces high quality, independent research. They also provide a robust set of county-level profiles ranging from demographics to specialized economic sectors like tourism. Below and on the next pages you can find three samples of county-level profiles. Click on the links below to see your county's data:

- [Percent of Personal Income from Hardship Payments](#) (includes Medicaid, welfare, and unemployment insurance compensation.) (Figure 4)
- [Percent of Personal Income from Transfer Payments](#) (Figure 5)
- [Share of Earnings from Government Employment](#) (Figure 6)

Figure 4—Share of Personal Income from Hardship Payments

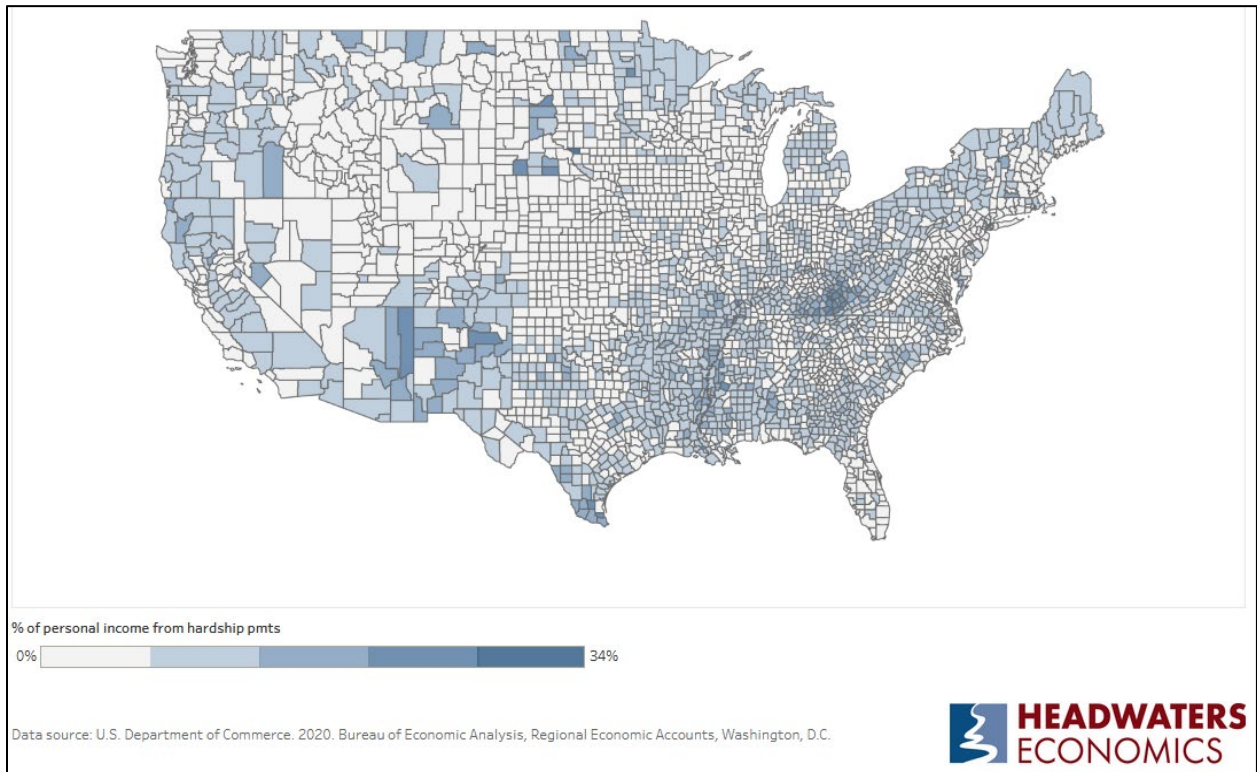


Figure 5-- Percent of Personal Income from Transfer Payments

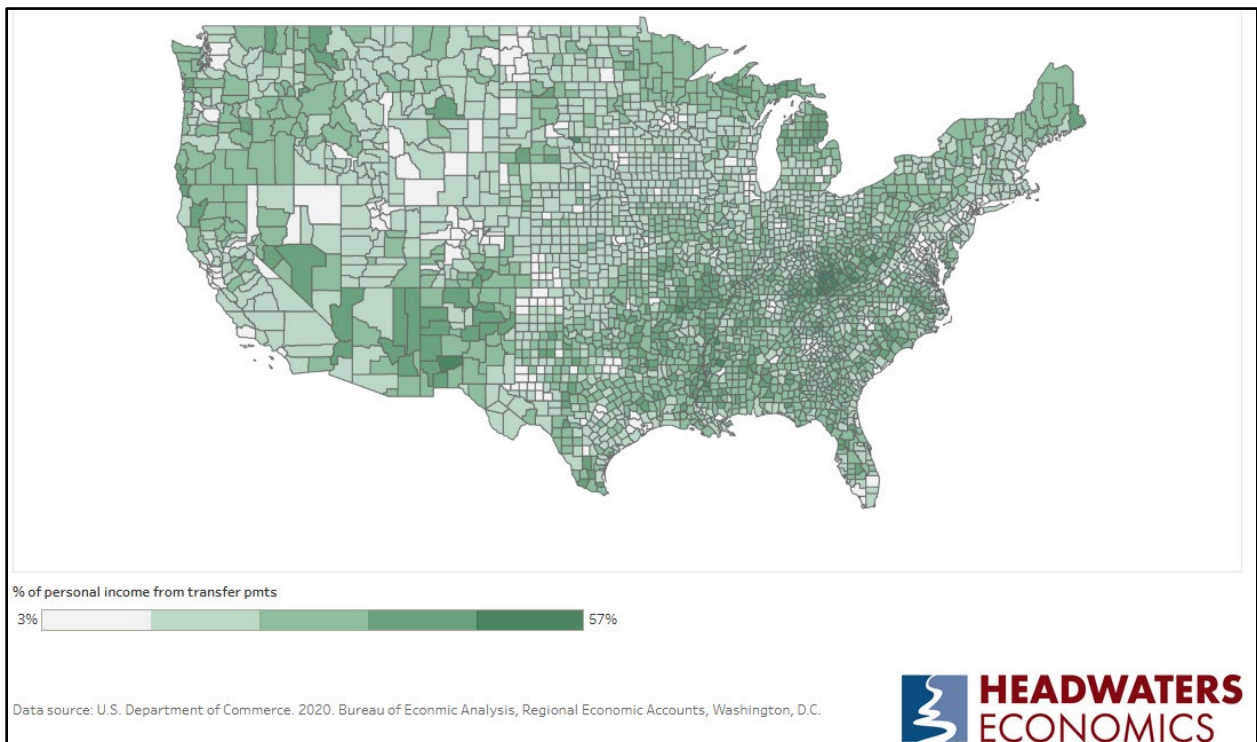
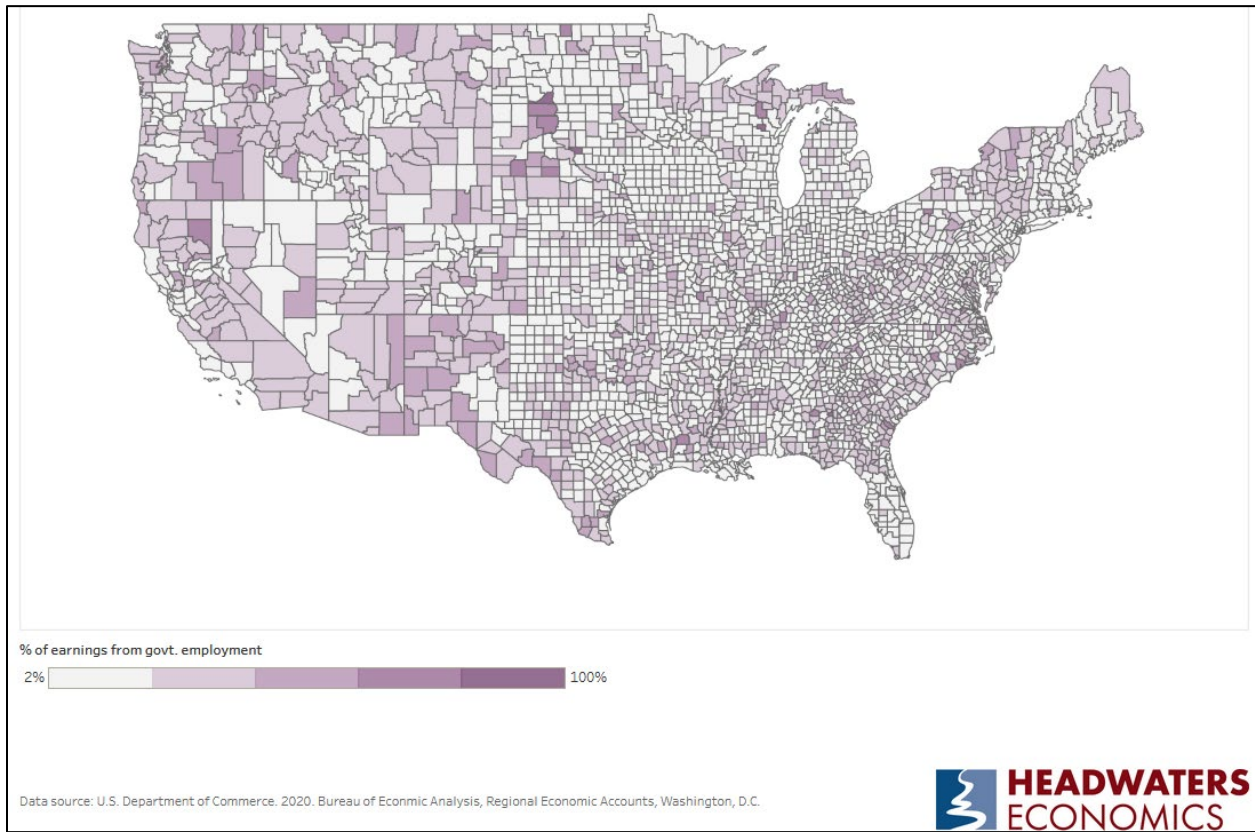


Figure 6 -- Share of Earnings from Government Employment



Why are Participation Rates Important? America is aging and that is lowering our participation rate. We have sizable populations of persons who are sidelined because of disability, home duties, substance abuse, and poverty who are no longer in the labor force. By understanding your community's labor force participation rate and the factors shaping it, you can better identify and target critical community development priorities and solutions.

Marginalization and Dissent

Rural-to-urban migrations are well documented as a coping strategy within rural marginalization. Increasingly, at-risk behavior is becoming better-known through both scholarly and popular reporting. In 2020, just as was the case with the Civil Rights era and the Farmer Worker strikes and boycotts of the past, we now can appreciate the third manifestation of increasing resident marginalization--dissent. Figure 7 on the next page provides an overly simplified presentation of the continuum of political dissent at work today in the United States.

The Sagebrush Rebellion

The January 6, 2021 attack on our national Capitol by Trump supporters urged on by former President Trump, his son, and personal attorney, and others, will forever be burned into our memories, as were the 9/11 attacks on New York's Twin Towers and the U.S. Pentagon. But violent domestic dissent and rebellion are not new to America. From the days of the Whiskey Rebellion during George Washington's term as president, to the Civil War in the 1860s, to the rise of the Ku Klux Klan and Jim Crow following the Civil War, to the Sagebrush Rebellion in America's West beginning in the 1970s, with incidents

continuing today. These sometimes-peaceful protests, acts of civil disobedience, and outright insurrection and violence, are well known to anyone living in the Rocky Mountain West. Possibly best illustrating this rebellion is the Bundy family and their standoff with federal authorities, running from 1993 to the present. The takeover, by force, of the Malheur National Wildlife Refuge in 2016 in Eastern Oregon was a dramatic example of dissent elevating to insurrection.

Figure 7 – Three Kinds of Political Dissent

<p>Amendment 1 Free Speech</p>	<p>The right, guaranteed by the First Amendment to The Constitution of the United States, of free speech, including peaceful protest of our own government, is sacred. This Amendment reads, <i>“Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of grievances.”</i> In a democracy, political dissent is part of our system and culture.</p>
<p>Civil Disobedience and Non-Violent Dissent</p>	<p>There is also a tradition in the United States and elsewhere of civic non-violent dissent, including acts that break laws. Examples include the Civil Rights era of African Americans sitting at <i>whites only</i> lunch counters, sitting in the <i>whites only</i> section of buses, and closing streets, as illustrated by the march across the Edmund Pettus Bridge in 1965. Technically, these actions were violations of state and local laws. But they forced American society and government to address the profound injustice of Jim Crow and the use of law to institutionalize discrimination against African Americans.</p>
<p>Violent Dissent</p>	<p>Unfortunately, there is also a history of violent dissent from the Whiskey Rebellion of 1791-1794, crushed by then-President George Washington, to the attack on the U.S. Capitol on January 6, 2021 by radicalized Trump supporters. When America is “charged,” all three of these forms of dissent can be manifested, including rightful free assembly and speech, civil disobedience, and violent dissent. Too often, peaceful, and well-intentioned dissent is explored by more radicalized and opportunistic (e.g., those wanting to rob stores during protests) elements.</p>

Books like Isabel Wilkerson’s *Caste*, or J.D. Vance’s, *Hillbilly Elegy*, provide insights into what happens when America ignores marginalization processes. More striking is the rise of Trumpism, white nationalism, and the unbelievable attack on our national Capitol in January 2021. Radicalization, leading from peaceful to violent dissent, is a product of marginalization. Creating economic justice and opportunity for all America is a primary antidote.

A final thought on this topic

We do not condone dissent that becomes violent, let alone meets the test of insurrection or domestic terrorism. Free-speech dissent and even non-violent civil disobedience has its place within our



democracy. One wonders how much longer it would have taken the United States to pass the Civil Rights Acts had it not been for Martin Luther King, Jr. and the civil dissent rooted in acts of nonviolent civil disobedience.

Now to our paper's conclusion on the critical connection between increasing rural resident marginalization and its implications for rural development and prosperity.

Implications for Rural Development and Prosperity

In this thought paper, we have already addressed the powerful implications of increasing rural resident marginalization, rural development opportunities, and the potential for increasing prosperity. In the first section of this paper – **Why this Topic is Profoundly Important to All of Us** – we articulate five rationalizations for rural America factoring marginalization into our development priorities:

1. Unrealized Rural Human Talent
2. Profound Social and Economic Crisis
3. Increased Rural-to-Urban Migration
4. Barriers to Urban-to-Rural Migration
5. Urban / Rural Divide

We will not re-plow that ground in this section of our paper. But we will touch on some of these topics as they relate to successful entrepreneurial development and rural community prosperity.

Human Talent. Possibly the most important rural development asset foundational to the future prosperity of rural America, its communities, and residents, is human talent. The ability of rural America to slow the historic rural-to-urban migration (e.g., think, for example, of the massive human talent loss with the massive out-migration of African Americans from the South to the North and West during the great migration) and now the opportunities being created by the urban-to-rural migrations (e.g., 30-year-olds and retiring Boomers) must include consideration of marginalization effects. A rural America considered hostile to diversity and unwelcoming to diverse newcomers is a profound threat. Those communities and regions embracing diversity as an asset, and who create truly welcoming environments, will do better than those that do not.

Hope and Hopelessness

In our pioneering work with HomeTown Competitiveness, and our [Rural Community Prosperity Development Framework](#), we focus on rural communities and their perceptions of hope to hopelessness, as too many rural communities and residents perceive their realities. Hopelessness creates a climate where it is so much harder to vision, make commitments, invest, and do the very things that can empower prosperity rooted in hope. One example of climate can be found in the rural community of Ord, Nebraska, which has experienced a culture that has shifted dramatically during the past 20 years from a sense of hopelessness to genuine and believed hope. We have captured this transformation in our paper, [Ord, Nebraska An Entrepreneurial Community](#).

**Creating economic justice and opportunity
for all Americans is a primary hopelessness antidote.**

Importance of Entrepreneur-Led Development and Increasing Rural Economic Opportunities. Loss of human talent undermining rural America’s potential development is more than out- and in-migration. Residents are also lost due to rising at-risk behavior and radicalization, with the lack of economic opportunities as a primary driver creating marginalization and its outcomes. Embracing - seriously embracing – entrepreneur-led development and ecosystem-building is paramount in creating more robust, diverse, resilient, and opportunity-empowering economies and societies.

Reliance on Our Government’s Safety Net and Investments

Government’s discretionary domestic budget has been stressed and is largely stagnant since the 1970s. There is now pressure to control entitlements embedded in the post-Great Depression and Great Society safety-net movements. Rural America is increasingly reliant on urban American taxpayers to provide good roads, broadband, healthcare, commodity agriculture, energy development incentives, commercial air service, and the list goes on and on. Age-related programs (e.g., Social Security and Medicare), hardship (e.g., public assistance, Medicaid, and unemployment) and other transfer payments (e.g., agricultural commodity programs) are increasingly important, sustaining rural communities and economies. Should urban America turn its back on rural America because of perceptions of decline (e.g., lost cause) or radicalization, or simply using increasing urban political power to focus more government resources on cities – which is already happening - funding for these essential functions could further adversely impact the development potential of rural America.

Lessons within our Rural Community Prosperity Development Framework. Our Rural Community Prosperity Development Framework focuses on four essentials empowering rural community prosperity:

1. People attraction, development, and retention.
2. Genuine quality of placemaking, including embracing diversity as an asset.
3. Economic development and diversification through entrepreneur-led development.
4. Undertaking all of the previous three essentials in a way leading to community capacity building.

While all four of these essentials to rural community prosperity are part of that safe strategy fabric, the most foundational essential is creating economic opportunity. We continue to believe that for the vast majority of rural communities and regions, entrepreneur-led economic development and smart ecosystem building is foundational. Learn more about e2’s framework in our paper, [*Rural Community Prosperity Development Framework*](#).

Building rural communities in our hometowns where we live, work,
and play, is an ongoing process.

Entrepreneur-led development can grow a more opportunity- laden economy. Per our recent work in Indiana with the Lilly Endowment GIFT VII Initiative, increasing resident marginalization is both a major threat, but also, a huge opportunity.

If we commit to growing more diversity and better rural economies,
we create the pathways for more rural residents to move from
marginalization into the mainstream, enriching our communities and
reducing the costs of marginalization.

Recommended Readings

We offer the following reading suggestions for learning more about the powerful force of marginalization beginning with e2 thought papers and then books we have found particularly insightful or relevant to this topic:

e2 White Papers

[*Economic Crashes – Mini-Case Studies*](#)

[*Is Your Community a JEDI Hometown?*](#)

[*Looking Back at America's Farm Crisis*](#)

[*Ord, Nebraska, An Entrepreneurial Community*](#)

[*Rural Community Prosperity Development Framework*](#)

[*Urban America is Filling Up*](#)

[*Why Entrepreneurship? Case for Entrepreneurship?*](#)

Books

America's Invisible Crisis – Mean Without Work by Nicholas Eberstadt. 2016. Templeton Press. ISBN 978-1-59947-469-4.

Caste – The Origins of our Discontents by Isabel Wilkerson. 2020. Random House. ISBN 9780593230251.

Deaths of Despair and the Future of Capitalism, by Anne Case and Angus Deaton. 2020. Princeton University Press. ISBN 9780691190785.

Factory Man, How One Furniture Maker Battled Offshoring, Stayed Local and Helped Save an American Town by Beth Macy. 2014. Little, Brown and Company. ISBN 978-0-316-23143-5.

Hillbilly Elegy, A Memoir of a Family and Culture in Crisis by J.D. Vance. 2016. HarperCollins. ISBN 978-0-06-230054-6.

Inequality, What Can Be Done? By Anthony B. Atkinson. 2015. Harvard University Press. ISBN 978-0-674-50476-9.

Rural Rebellion: How Nebraska Became a Republican Stronghold by Ross Benes. 2021. University Press of Kansas. ISBN 978-0700630455.

The Color of Law, A Forgotten History of How Our Government Segregated America by Richard Rothstein. 2017. W.W. Norton & Company. ISBN 9781631492853.

Who Moved My Smokestack? America's Failure to Protect Our Jobs and Stop the Erosion of the American Dream by Don A. Holbrook. 2008. Xlibris Corporation. ISBN 978-14363-6394-5.

There are so many other resources relevant to the topic of marginalization. We hope this recommended reading list is helpful to your community's search for understanding and solutions.

How e2 Can Help



e2 Entrepreneurial Ecosystems helps communities increase prosperity through entrepreneur-focused economic development and ecosystem building. Led by [Don Macke](#), e2 has a national team of practitioners who bring research, coaching, incubation, market intelligence and other expertise to this work.

What We Do

- ✓ **Mentoring.** We mentor and coach new practitioners seeking to pursue entrepreneur-led development. We provide advice and support for building eEcosystem strategies that work and invite practitioners to join our [National e2 Practitioners Network](#).
- ✓ **[Analytics Support](#).** e2 helps communities and regions understand their entrepreneurial potential through research and data.
- ✓ **e2 University (e2U)** is our online platform for sharing guides, papers, stories, tools, and resources with communities wanting a deep dive into eEcosystem building. Don Macke leads the [e2 University](#) team with analytics support from **Cathy Kottwitz** and report preparation from **Ann Chaffin**. Special recognition for their e2U legacy contributions goes to **Dana Williams** and **Deb Markley**, LOCUS Impacting Investing.
- ✓ **Fostering the eMovement.** We support the national entrepreneurship movement along with our partners including the **Federal Reserve Bank of Kansas City**, **SourceLink**, **Edward Lowe Foundation**, **Kauffman Foundation**, and **NetWork Kansas**. We are a founding member of **Start Us Up: America's New Business Plan**, a coalition dedicated to strengthening entrepreneurship across America. Together, we continue to advance the foundational ideas of building entrepreneurial ecosystems and entrepreneurship-led economic development.

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[NetWork Kansas](#), a 501c3 nonprofit organization dedicated to developing an entrepreneurial ecosystem in Kansas, is the home for e2 Entrepreneurial Ecosystems. NetWork Kansas connects aspiring entrepreneurs, and emerging and established businesses, to a deep network of business building resource organizations across the state.

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