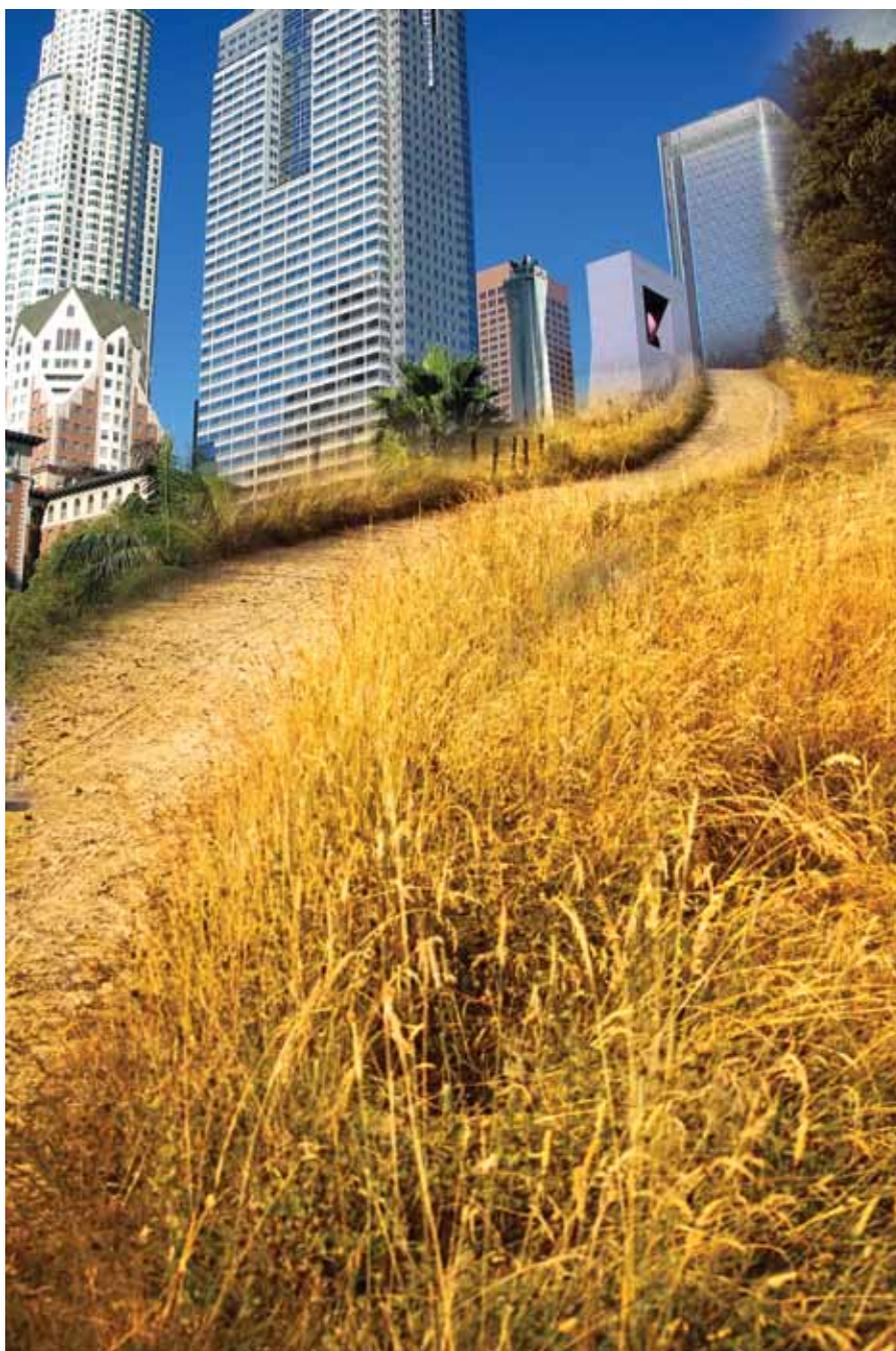


THE RURAL RESISTANCE

to the Great Recession



The Great Recession has undoubtedly been the most severe economic downturn the U.S. has experienced since the Great Depression. Yet, the effects of the recession have varied across states, counties, industries, and occupations. State unemployment rates range anywhere from 3.6 percent to 14.3 percent. Some industries have suffered massive job losses while other industries have exhibited relatively strong growth.

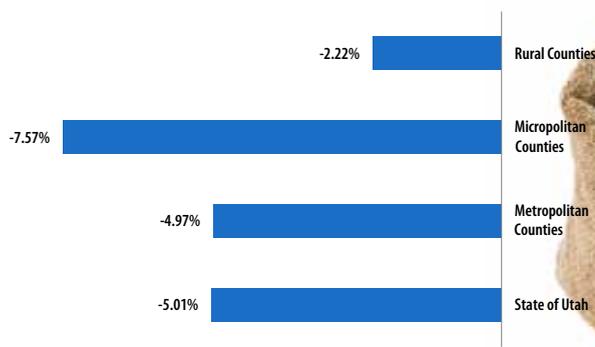
Given the varying effects of the recession, how are Utah's rural counties doing as compared to the urban counties? Are the same industries responsible for most of the job losses in both urban and rural counties? As we will see, the recession has impacted rural and urban counties in different ways.

Comparing Job Losses in Rural and Urban Counties

The rural/urban distinction is based on the Office of Management and Budget's definitions of three types of counties: metropolitan, micropolitan, and neither. The "neither" category encompasses those counties that are commonly considered rural. All of Utah's 29 counties are classified according to this definition in the table.

In answer to our first question, rural counties are doing comparatively better than urban counties. Rural counties had the smallest percentage decline in employment, on average, between 2007 and 2009, as shown in Figure 1. However, since rural counties accounted for only 4.1 percent of Utah's total employment in 2009, they had little effect on improving the statewide percentage of job losses. With 90.6 percent

FIGURE 1.
The Percentage
DECLINE
in Total Employment
Among Rural and Urban Counties
2007-2009



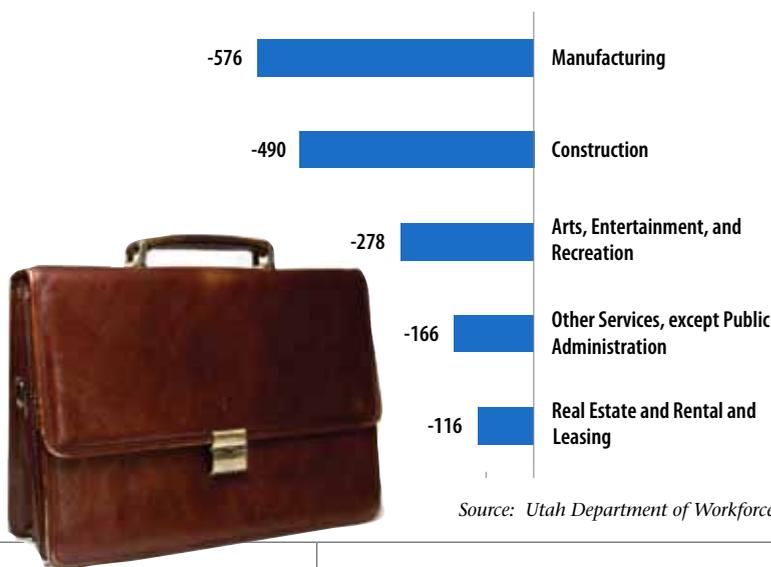
of all employment found in the metropolitan counties, it is no surprise that the job losses are roughly the same as those statewide. The counties suffering the worst employment declines, on average, are the intermediate-sized micropolitan counties.

The Hardest-Hit Rural Industries

The construction and manufacturing industries suffered the largest job losses statewide from 2007 to 2009. Over 47,500 jobs were lost in these two industries, accounting for 43 percent of all job losses in Utah. The story was no different for rural counties. As Figure 2 reveals, manufacturing and construction top the list for job losses.

The next three industries are where the differences lie between rural and urban industrial job losses. While the other services and real estate, rental, and leasing industries experienced downturns across the state, the job losses were comparatively more severe in rural counties. Interestingly, the arts, entertainment, and recreation industry experienced the third largest decline in employment in rural counties, but it actually grew by 0.6 percent statewide from 2007 to 2009.

FIGURE 2.
Five Rural Industries with the Largest
JOB LOSSES
2007-2009



Source: Utah Department of Workforce Services

A Rural Rebound?

Although most people would not say that job losses are good, relatively speaking, the rural counties of Utah are doing well compared to the rest of the state. In fact, several undaunted rural counties have actually exhibited employment growth as of the first quarter of 2010. If the rural counties have a secret formula for employment growth, maybe they could be so kind as to share it with their urban neighbors. 🗣️

Metropolitan Counties	Cache, Davis, Juab, Morgan, Salt Lake, Summit, Tooele, Utah, Washington, and Weber Counties
Micropolitan Counties	Box Elder, Carbon, Iron, Uintah, and Wasatch Counties
Rural Counties	Beaver, Daggett, Duchesne, Emery, Garfield, Grand, Kane, Millard, Piute, Rich, San Juan, Sanpete, Sevier, and Wayne Counties