COVID-19 and Economic Opportunities for Rural America
Community strategies for attracting new rural residents

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The COVID-19 pandemic has had tremendous health, economic, and social impacts on virtually everyone. Beginning in March 2020, schools and businesses closed and everyone that could began working from home. Despite tremendous and ongoing economic impacts, the pandemic may open the door of opportunity for rural communities to reap economic development benefits. Two factors may enhance that opportunity: (1) the safety of distance, and (2) opportunities made available by modern information and communication technology.

Safety of Distance
As COVID-19 spread throughout the world beginning in the spring of 2020, about our only defense was to stay at home and away from other people. Many of the communities that were hardest hit by the virus were large and crowded cities where social distancing was difficult. New York City, for example, is dependent on mass transit and people work and live in close proximity to one another. These circumstances provide a fertile breeding ground for the virus. In contrast, hundreds of rural communities throughout the country have small populations that are widely dispersed which make it much easier to social distance.
The data in the table below compares U.S. counties along the rural/urban continuum. This continuum was developed by the Economic Research Service of USDA. Continuum scores range from 1 to 9. As scores increase, counties become progressively more rural and isolated. Categories 1-3 are metropolitan, while categories 4 through 9 are nonmetropolitan. The most metropolitan counties in Category 1 are the 432 counties in metro areas that have a population of 1 million or more. A majority of the U.S. population lives in Category 1 counties. At the opposite extreme, Category 9 counties are the 423 counties that are completely rural, with the largest community having a population of less than 2,500, and that are not adjacent to a metro area. (For a more complete description of each category, please see Albrecht, 2019).

This table shows that as of September 1, 2020 rural residents were less likely to test positive for and die from COVID-19 than urban residents. Per capita deaths are shown graphically. The residents of Category 1 counties comprise 56% of the total U.S. population, but had 64% of the known positive COVID-19 cases and 72% of deaths from the disease. In contrast, COVID-19 was much less prevalent in rural areas where hundreds of counties have had few if any cases. In the 423 Category 9 counties, there had been only 315 total COVID-19 deaths as of September 1. Most of the cases and deaths occurred in only a handful of counties. This means that in the majority of Category 9 counties, COVID-19 was almost nonexistent. Similarly, in Category 8 counties, most of the cases and deaths occurred in only a few counties, while the vast majority of counties had few if any cases. During the COVID-19 pandemic, many of the people who were working from home came to the realization that their home could be anywhere, including communities where their chance for exposure to this and future diseases is much smaller.

**Opportunities of Modern Information and Communication Technology**

Historically, most of the better paying jobs in the U.S. were located in urban areas. This is because urban communities have the advantage of being near markets and customers. In rural areas, incomes have always been lower, and poverty and unemployment

| COVID-19 by Rural-Urban Continuum, September 1, 2020 |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|                                  | Most Urban                      | Most Rural                      | Most Urban                      | Most Rural                      | Most Urban                      | Most Rural                      | Most Urban                      | Most Rural                      |
| Total Population                 | 182,406,377                     | 70,154,753                      | 29,615,332                      | 13,620,408                      | 5,040,443                      | 14,634,916                      | 8,094,292                      | 2,120,756                      |
| Percent of Total                 | 55.6                            | 21.4                            | 9.0                             | 4.1                             | 1.5                            | 4.5                            | 2.5                            | 0.6                            |
| Number of Counties               | 432                             | 378                             | 356                             | 214                             | 92                             | 593                            | 433                            | 220                            |
| Population Per County            | 422,237                         | 185,595                         | 83,189                          | 63,646                          | 54,787                         | 24,679                         | 18,694                         | 9,640                          |
| Total Covid - 19 Cases           | 3,660,246                       | 1,209,449                       | 477,843                         | 194,961                         | 76,103                         | 232,284                        | 114,745                        | 28,058                         |
| Percent of Total                 | 61                              | 20                              | 8                               | 3                               | 1                              | 4                              | 2                              | 1                              |
| Cases per Million                | 20,066                          | 17,240                          | 16,135                          | 14,314                          | 15,098                         | 15,872                         | 14,176                         | 13,230                         |
| Total Covid - 19 Deaths          | 117,722                         | 30,638                          | 10,272                          | 4,411                           | 1,752                          | 5,724                          | 2,343                          | 695                            |
| Percent of Total                 | 68                              | 18                              | 6                               | 3                               | 1                              | 3                              | 1                              | 0.4                            |
| Deaths per Million               | 645.4                           | 436.7                           | 346.8                           | 323.9                           | 347.6                          | 391.1                          | 289.5                          | 327.7                          |
| Percent of Cases Resulting in Death | 3.2                        | 2.5                            | 2.1                             | 2.3                             | 2.3                            | 2.5                            | 2.0                            | 2.5                            |
rates higher. Rural economic concerns have been made more severe in recent decades because the number of jobs in agriculture, manufacturing, logging, and mining have significantly declined. This is a problem because these jobs historically have been the primary employer of rural workers (Albrecht, 2020).

Recent developments in modern information and communication technologies have created vast new opportunities for rural communities. Computers, the Internet, and cell phones have reduced the relevance of distance. It is now possible to live in a rural community and globally market one’s products or skills. The COVID-19 pandemic has made these opportunities abundantly clear as millions of individuals have been able to effectively work from home. Up to one-half of employed Americans have been working from home during the pandemic. While this is not an option for workers in some industries, persons most likely to be able to work from home tend to be high-paid professionals. Given how effective some remote work is, many individuals may wish to continue working from home even when the pandemic is over.

Modern information and communication technologies have also reduced other traditional disadvantages of rural living. For example, telemedicine reduces the disadvantage of living in an area away from medical professionals and online shopping reduces problems associated with not being near shopping facilities. With more people having the capacity to work remotely and thus live where they wish rather than where their job is located, millions may prefer the tremendous benefits of rural living. For rural communities, attracting persons with geographically mobile jobs represents a great economic development opportunity. This is especially true for communities where traditional jobs in the goods producing industries are declining. The attraction of skilled and highly-paid individuals may mean more taxes and support for local businesses and schools.

The benefits of working from home extends beyond the worker and the community as the virtual office provides advantages for employers as well. The company may need a smaller office building with fewer offices and a smaller parking lot which will result in obvious financial benefits. As a society, we could all benefit from more people working from home as there would be less traffic during rush hour, reduced resource consumption, and less pollution, and the potential of more vibrant rural communities.

**Attracting Geographically Mobile Workers**

To take advantage of these new opportunities, there are several things rural communities need to do:

1. **High quality Internet is essential.**

   Communities without high quality Internet will clearly not compete successfully for mobile workers or gig economy entrepreneurs. This is a concern because rural residents are less likely to have access to high quality Internet than urban residents (Gallardo and Whitacre, 2018). Insufficient broadband is now a significant limitation on telemedicine, which will dampen development (Drake et al., 2019). Since there are significant societal benefits from enabling remote work, making high quality Internet available to all rural areas should be a high priority for federal and state governments.

2. **A marketing plan is necessary to advertise community benefits.**

   An obvious benefit is the amenity advantages of rural living. Of course, attracting remote workers is easier for communities that have high quality amenities such as the Teton Mountains or Lake Tahoe. Similarly, research has found that smaller communities that are home to a college or university are very attractive to potential residents (e.g. Zimpher, 2012). Even communities lacking truly high quality amenities or a college, however, can effectively market their community. There are many people who desire to live next to nature where there is less crowding and pollution. Additionally, many people desire to live near family and friends where they grew up (Von Reichert et al., 2014). These examples represent the kind of competitive advantage that a rural county or region can identify and employ to attract mobile workers and entrepreneurs to even remote and isolated areas in the country.

3. **Provide services and amenities.**

   Communities must make an effort to provide the
types of services and infrastructure desired by professionals. This includes clean air and water, good schools, and hiking trails (Salaghe et al., 2020).

4. Strategies to enhance the earning capacity of lower income residents.
For those already living in the community these are critically important. Keeping current residents is vital to a community’s economic development. It is much easier to keep individuals already living in the community than to attract residents from outside the community. The likelihood of them staying grows if their incomes are increased. The availability of freelance opportunities provides them with the skills and connections to successfully earn money from their home. The Rural Online Initiative program in Utah (https://remoteworkcertificate.com/) provides an excellent example of a program that enhances these opportunities (Wilson and Hill, 2020).

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