



CONTRIBUTIONS OF ECONOMICS TO NIFA PRIORITIES

FAMILIES, YOUTH AND COMMUNITIES¹

The well-being of people and places is a central concern of economics. Economists bring a unique set of tools and analytical techniques to bear on issues that are important to families, youth and communities. Economic analysis can inform the life choices that youth and families make and provide information about the economic consequences of these decisions for communities. Economists can also provide insight into the advantages and disadvantages of alternative federal, state and local policy decisions as they affect families, youth and communities.

What Economists Can Contribute

Applied economists provide useful and credible answers to policy questions because of well-developed theoretical foundations and powerful empirical analytical tools. Economists use this foundation and these tools in problem identification, assessment of alternatives and evaluation of potential outcomes of the various alternatives. For example, articles in recent applied economics journals have answered the following questions:

- **How has increased demand for bio-fuels affected rural communities, and how can federal, state and local policies be modified to insure that the benefits of these changes are well-distributed across the rural-urban continuum?** (Low and Isserman, 2009; Young, 2009)
- **How much does vulnerability of an agricultural region to climate change depend on the region's potential for economic adaptation?** What policies might increase the potential for economic adaptation? (Antle *et al.*, 2004)
- **What impact does income volatility have on family food sufficiency?** Which families are most vulnerable? How can policy changes reduce food insufficiency? (Leete and Bania, forthcoming)
- **What impact does rural-to-urban migration have on household poverty?** Why do rural people aged 18 to 65 migrate to cities? How can communities better prepare young people to be successful across the rural-urban continuum? (Weber *et al.*, 2007)
- **How much of rural America is not served by broadband internet providers?** How effective are Federal broadband grants in attracting small broadband providers to previously underserved areas? (Whitacre and Mahasuweerachai, 2008)

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Needs and Opportunities

Economists use state-of-the-art empirical analytical methods to answer the preceding questions. Further improvements in analytical methods and techniques would provide improved information for policy guidance. With better integration across spatial and temporal dimensions and across disciplines, we could better understand the tradeoffs that will determine the future condition of families, youth and communities and the ecosystems within which they reside. Future research could provide answers to such critical questions as:

- How will increased demand for ecosystem services and alternative energy sources affect rural communities? How can Federal, state and local policies be modified to insure that the benefits of these changes are well-distributed across the rural-urban continuum and size distribution of income?
- What factors increase the vulnerability of rural communities to climate change? What federal, state and local policy changes can increase community resilience to anticipated and unanticipated changes associated with global warming? (Jansen and Ostrom, 2006)
- How will globalization, technological change and the changing workforce affect migration of young and old, family income levels and volatility? Can place-based policies modify the distribution of population, income and poverty across the landscape?
- How will increased urbanization and amenity-led growth affect local ecosystems and land use across the rural-urban continuum and the growth and sustainability of rural places? What state-local policy changes can guide land-use change to insure a more balanced spatial distribution of development? (Irwin *et al.*, 2009)

Many economists in the Land Grant System have skills and experience in extending their research results to practical application. Their links to Extension educators in each county facilitate the realization of the broader impacts of the research for the benefit of the nation's families and communities. Examples include research-based information on the viable thresholds for successful operation of rural retail businesses (<http://agecon.okstate.edu/retailtrade/index.asp?type=publications>), insight into the reasons people move into rural communities, and strategies for strengthening population growth in areas that have seen historical population declines (<http://cari.unl.edu/buffalo/documents/NRI%20Road%20Show%207-3-08.pdf>)

Solid, policy-relevant information on the forces affecting change in families and communities and on the policies that determine family and community outcomes will be strengthened with more cross-disciplinary collaboration and funding structures that encourage the development of long-term institutional research partnerships focused on the well-being of families, youth and communities.

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