



Population Trends in Rural Indiana

Introduction

Imagine that the population in your community is growing. Houses are being built for new residents. New businesses are springing up: the beauty salon around the corner, a dentist's practice near the court house, a big hardware store on the east side of town. The local high school is expanding, and two extra teachers have been hired. Tax revenue is increasing, and now funds are available for urgent bridge repair and for a new swimming pool park.

The residents, old and new, are getting used to each other and are proud of their flourishing community—even more so as they see what happened in the county next door, where many residents left for job opportunities elsewhere, stores went out of business, and schools were consolidated.

These scenarios suggest that the population of a community is a central component to its well-being. For example:

- How many people a community has—that is, its population size—influences whether a business will have enough customers to survive;
- Whether the population grows or shrinks influences decisions on school consolidation;
- Whether the population is young or old influences the needs of the community;
- Whether the population is rich or poor influences the community's fiscal means.

In short, a community's viability and vitality are intimately linked to its population size and characteristics.

How Big Is the Rural Population?

Over the last century, rural America did not grow as fast as its urban counterpart. Its land area shrank as cities pushed their reach outwards and new suburbs developed. Many people left rural areas in search of jobs and opportunities, and this rural-to-urban migration contributed to rural populations growing slowly or, in some cases, even declining.

In Indiana, just like in the rest of America, residents of rural counties are outnumbered by people living in urban settings. According to the 2010 census, Indiana had 6.48 million inhabitants. Slightly less than 14% (891,906 persons) resided in the rural counties. In contrast, four million people, or 62%, lived in Indiana's urban counties. The rest lived in "rural mixed" counties (Ayres et al. 2013).

*Brigitte Waldorf, Janet Ayres, and Melissa McKendree
Department of Agricultural Economics
Purdue University*

The Rural Indiana Issues Series

Audience: Local and state leaders who work with rural communities.

Purpose: To find data about issues of concern in rural communities and to interpret that data in meaningful ways to aid in decision-making.

Method: U.S. Census data analyzed across the county groupings—rural, rural/mixed, urban.

Potential Topics: Demographic changes, business development, health, health care, local government, taxes, education, agriculture, natural resources, leadership development, etc.

Outcome: Better, more informed decisions by rural decision-makers.

Did Indiana’s Rural Population Grow Over the Last 20 Years?

Whether rural Indiana’s population grew or declined over the last two decades is an interesting question, and there are actually two answers. The first one is: Yes! As shown in Figure 1, Indiana’s rural counties gained almost 68,000 residents between 1990 and 2000, and an additional 16,766 residents over the last 10 years.

The second answer is: Yes—but. The population of the rural counties grew, but not as fast as the population of the urban counties. Table 1 shows that the rural county population grew by 1.9% between 2000 and 2010 compared to 9% in the urban counties. Thus, urban growth is almost five times faster than rural growth. As a result, the percentage of Indiana residents living in rural areas is declining. Hence, the relative strength of rural Indiana within the state has weakened. Note that between 1990 and 2000 the urban population also grew faster than the rural population, but the urban-rural gap was much smaller.

And there is a second “but.” As a whole, the population of rural Indiana counties was growing, but 18 of the 42 rural counties have lost residents since 2000 (see Table 2). Blackford County had the most severe population loss of -9%, followed by Benton County with -6%. For both counties, the population loss started in the 1990s. Rush, Randolph, Posey, Fountain, Tipton, Vermillion, Jay, White, and Newton counties had a moderate population loss of between 2% and 5%. Sullivan, Owen Starke, Crawford, Carroll, and Martin counties had minor population losses of less than 2% between 2000 and 2010. Table 2 also shows the counties that gained population. Most remarkable are the gains in Jasper, Harrison, and Switzerland counties. For all three counties, the upward population trend had already started in the 1990s, and, since then, their populations has .increased by over 30%.

What Are the Drivers of Population Change in Rural Indiana?

Demographically speaking, a county’s population change is the result of two components: natural increase and net migration (*STATS Indiana*). The natural increase is the difference between births and deaths. The natural increase is very important for rural Indiana’s population gain. During the 1990s, rural Indiana recorded about 30,000 more births than deaths. Since 2000, the natural increase has been smaller, but births still outnumbered deaths by almost 25,000.

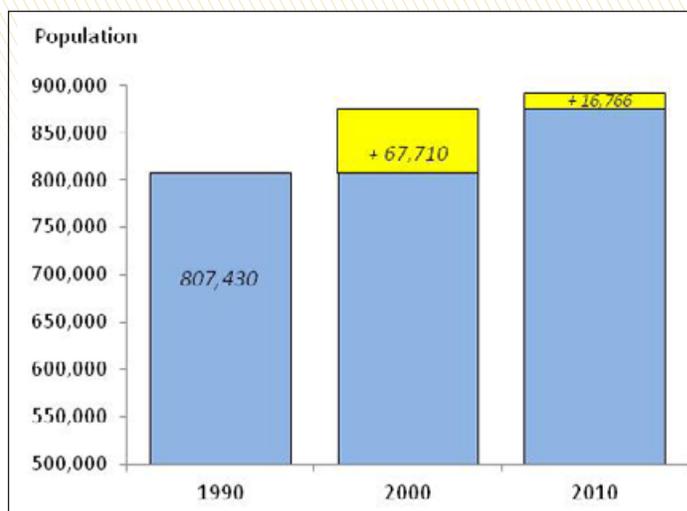


Figure 1. Population of Indiana’s Rural Counties in 1990, 2000 and 2010

Net migration is the difference between the number of people moving into the county and the number of people moving out of the county. Since the United States is an immigration country, we often distinguish between net domestic migration and net international migration. Since 2000, rural Indiana lost population through net domestic migration. In fact, losses from domestic migration are bigger than the gains from the natural increase. It is only because of positive net international migration that rural Indiana still gains population. As shown in Figure 2, this situation is quite different than in urban Indiana. Urban Indiana gains people from natural increase, net domestic and net international migration. The rural mixed counties take on an in-between position: they lose people because of domestic migration, but the loss is small compared to the gains from the natural increase.

What Are the Implications?

The slow population growth in rural Indiana—or even decline in some counties—poses a number of challenges, ranging from attracting and retaining businesses to school closures and the adequate provision of accessible health care. Addressing any of these issues is complicated, in part because a dwindling or slow-growing population often implies dwindling economic and political power. That is, insufficient population growth causes

Table 1. Population and Population Change

	Population			Percentage Change	
	1990	2000	2010	1990 to 2000	2000 to 2010
Rural	807,430	875,140	891,906	8.4%	1.9%
Mixed Rural	1,402,284	1,525,295	1,579,354	8.8%	3.5%
Urban	3,334,442	3,680,050	4,012,542	10.4%	9.0%
Indiana	5,544,156	6,080,485	6,483,802	9.7%	6.6%

Table 2. Population Losses and Gains in Rural Indiana Counties, 2000 to 2010

Population Change between 2000 and 2010											
Losses (in %)			Gains (in %)								
severe	moderate	minor	minor	moderate	large						
-9.1	Blackford	-4.8	Rush	-1.3	Sullivan	0.0	Carroll	2.3	Union	6.4	LaGrange
-6.0	Benton	-4.5	Randolph	-1.0	Owen	0.0	Greene	2.3	Perry	8.4	Whitley
		-4.3	Posey	-0.8	Starke	0.1	Pike	2.8	Spencer	8.7	Ripley
		-4.0	Fountain	-0.3	Martin	0.1	Wells	2.8	Orange	9.0	Ohio
		-3.9	Tipton	-0.3	Crawford	0.6	Parke	3.1	Gibson	11.4	Jasper
		-3.4	Vermillion			1.1	Warren	3.5	Jennings	14.7	Harrison
		-2.6	Pulaski			1.3	Clay	3.8	Washington	17.1	Switzerland
		-2.5	Jay			1.6	Fulton	4.2	Franklin		
		-2.5	White			1.9	Brown	5.4	Putnam		
		-2.2	Newton								

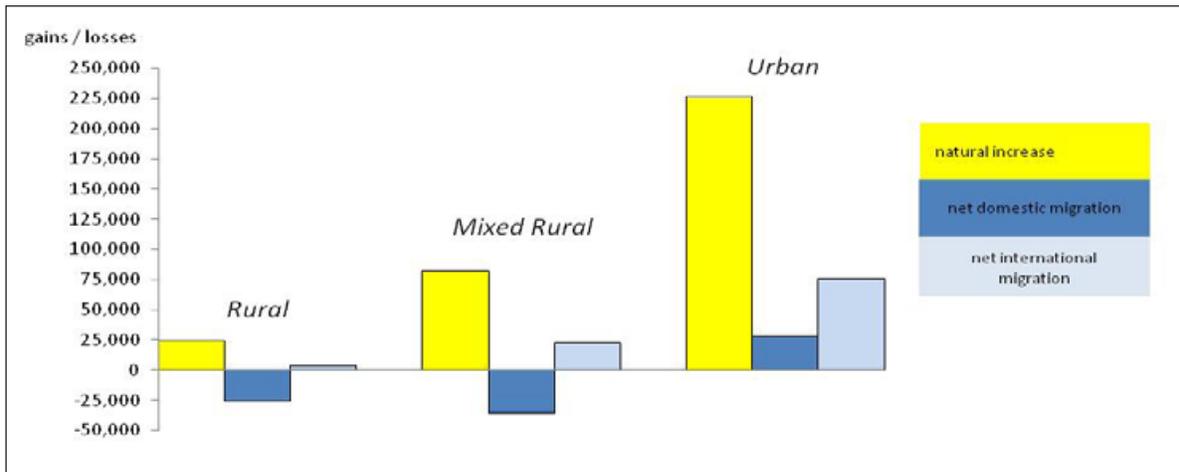


Figure 2. Population Change since 2000 in Indiana’s Rural, Mixed Rural, and Urban Counties

challenges and also serves as an additional hurdle when trying to tackle those challenges. Community-led strategies that strive for regional solutions and joining forces with neighboring counties or with counties that share similar problems may alleviate the situation. Without a doubt, people serve as the foundation of a viable and vibrant community. Gain or loss of this valuable asset should lead to an examination of what is driving this trend and what can be done to promote gains or reverse losses.

References

Ayres, J., B. Waldorf, and M. McKendree. (2013). *Defining Rural Indiana—The First Step*. (EC-766-W). <http://www.extension.purdue.edu/extmedia/EC/EC-766-W.pdf>
 STATS Indiana <http://www.stats.indiana.edu>

About the Authors

Brigitte Waldorf and Janet Ayres are professors in the Department of Agricultural Economics at Purdue University. Janet has worked as an Extension specialist in the areas of leadership and community development in rural Indiana for over three decades. Brigitte’s expertise is in demography, and she has written about a variety of population issues in Indiana, including immigrants, educational attainment, and poverty. Melissa McKendree is a graduate research assistant in Agricultural Economics.

For further information, contact Brigitte Waldorf at bwaldorf@purdue.edu or Janet Ayres at ayres@purdue.edu

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