

National Rural Funders Collaborative

CHALLENGES, ROLES AND RELATIONSHIPS FOR REGIONAL AND NATIONAL FUNDERS INVESTING IN RURAL AREAS

Annie E. Casey Foundation Offices
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On October 31, 2002, regional and national funders, along with rural policy advocates and community practitioners, gathered to share perceptions, challenges and strategies for funding in rural areas. The following notes are a summary of a discussion on the respective and collective challenges, roles and relationships for regional and national funders investing in rural areas. Participants at this gathering were surveyed beforehand in order to provide a brief discussion starter for the conversation. The following summary represents both responses to the survey and comments in the meeting itself. This gathering and discussion is one in an ongoing series of discussions among rural funders, practitioners and other rural stakeholders.

DEFINING QUESTIONS

- **Definitions:** Terminology is a hang up among players: e.g., metro vs. non-metro, urban vs. rural, etc. We need a common language for and about rural that does not carry with it a certain stigma. Maybe it's ok to allow multiple definitions of rural.
- **Distinctively "rural" funding:** Do we make more progress by saying "rural" is different, or by saying there are common causes among disadvantaged constituencies regardless of where they live?
- **Collaboration:** What is the value or benefit of collaboration among regional and national funders? Among public and private partners? Among funders and practitioners?
- **Leverage:** How do we count to 100 with something other than 1? How do we combine our efforts, interests and expertise to get to 100 faster?
- **Impact:** How do we make sure that this makes a difference and that there is an impact? Who are the most important folks to articulate that, and where is that process?
- **A Collective Rural Voice:** How do we have a collective voice? How do we amplify the voices of the folks who we are ultimately trying to benefit in a way that has visible impact, is audible in policy and practice? Not one "rural," but many.

DISCUSSION

Defining "Rural"

- No succinct single or clear-cut definition of "rural"– making it difficult to identify distinctively "rural" communities and funding opportunities. Yet without a specific "rural" focus, it is easy to overlook or ignore those communities.

- A common language and understanding of “rural” would be helpful, though clearly there are very different realities/types of communities represented by the term.
- “Rural” often has a certain stigma attached to it and is taken to be synonymous with “natives” or “poor”. Is there a definition of “rural” that is not degrading? Terminology is a hang up among players, need a common understanding of language.
- Maybe it’s ok to allow all of these definitions of rural, and better to have the many definitions, boundaries articulated by the grass-roots and regional leaders themselves.
- As soon as the term is defined it created polarizations. Polarizations, in turn, create power relationships. Instead, why not let the people who work in those landscapes determine what their definition will be. Let the context decide.
- More important than defining “rural” is identifying solutions to problems. Need to start from a different paradigm than “poverty.” In resource-rich rural California, e.g., there is a need to the make the case for the value of rural, not about economies of scale.

Challenges and Issues for “Rural” or “Placed-based” Funding

- Rural communities viewed by many funders within the overall context of other program areas and communities and not as a separate area of focus. By gleaning from diverse experiences, funders can build awareness without segregating “rural” from other areas.
- Smaller foundations often feel overwhelmed by the enormity of rural problems, particularly around deep-rooted economic devastation, and feel isolated as well. There is a need to connect with their peers, particularly with larger national foundations that have greater resources.
- In addition to funding local and regional opportunities, regional funders also have tremendous power in convening leaders and institutions with an area and helping to focus resources strategically.
- Larger foundations also feel their resources are insufficient and see part of the challenge for NRFC and other collaborations as unearthing new money for rural work.
- Diversity is an issue cutting across rural communities. De facto segregation is alive in the South and, indeed, throughout the country. In the Western states and along the Mexico-US border issues of race, national origin and language drive or influence most social issues. On Indian reservations, where the some of the worst rural poverty can be found, children and families struggle to balance their lives between two cultures.
- Funding in rural areas also has implications for relationships of “power.” Funders need to be sensitive to these issues and understand who they are helping to empower and how they are affecting the balance of power.
- In many rural communities, diversity has become far more complicated as new waves of immigration bring a worldwide influx of cultures – Asian, Bosnian, Somali – to the American countryside. Some of the new immigrants bring skills and education, some wealth, to their new communities, sometimes creating difficult and challenging relationship issues with longer term residents.

- Parts of rural America are changing from primarily agricultural economies to economies that are more diverse. How do we invest in people and the new realities for rural areas rather than support the rural past?
- Many public-sector initiatives and funding programs, not unlike those sponsored by philanthropic sources, are structured along narrow lines that focus on specific types of issues, outcomes, intermediaries or constituencies. Yet rural development is interdisciplinary in nature and the communities represented are different and require diverse approaches and tools. How can we reconcile funding priorities with the breadth of community need?
- Because place matters, some funders, e.g., The California Endowment, are taking a regional approach by having regional offices to rural areas of concern. Funders can then address focus issues, e.g., health and healthy communities, in a way that recognizes diversity of place and culture and dynamics of local leadership.
- At the same time, there is a need to take a more comprehensive approach to addressing issues like rural healthcare and healthy communities within a broader context of issues. This is where collaboration with funders attuned to and focused on other, complementary issues is valuable.

Benefits and Value of Collaboration

- Rural issues are too complex, multi-faceted, and deeply entrenched for any one institution or funder to have sufficient impact. Collaborations are critical among institutions in local communities and between and among funders.
- Collaboration is important for learning more about effective rural strategies. There is value in sharing ideas and experiences -- particularly among grantmakers in foundations where few, if any, of their colleagues are engaged in and interested in rural work.
- Large national foundations value collaboration with local funders because they have their “ear to the ground” and important relationships with local and regional players. Such partnerships hold the potential for exchanging knowledge, strategies and tools to aid in adaptation and replication of successful initiatives.

Creating Leverage

- Leveraging precious foundation funds is necessary to achieve measurable results and lasting impact, especially finding local nongovernmental match money and philanthropic partners.
- For public funders, like USDA, the important rural watchwords are “leveraging” and “collaboration.” USDA is working to better coordinate resources internally through collaboration of the various agencies within USDA. At the same time, establishing public-private partnerships – like the one with NRFC, can demonstrate increased leverage through matching federal dollars with private dollars.
- How can we measure leverage in more than simply counting dollars, but also in terms of engagement of partners, in-kind support and increase in community capacity?

Achieving and Measuring Lasting Impact

- In rural areas where there has been little history of public or private investment, funders must understand the need for technical assistance and capacity-building so that

grassroots communities and nonprofit CDCs will know how to apply for funding and will have the ability to utilize funds in a way that achieves lasting impact and can demonstrate success.

- Funding in rural communities means patient funding and recognition that community needs are longstanding and will only be improved if there is also a longer view of the support and investment needed for lasting change.
- Can collaboration between multiple partners, both public and private, also be strategic in the sense that clear priorities for rural areas can be developed so that partners working together can begin to address them one by one and show demonstrable progress on a few issues in rank order rather than relative progress on many?
- Important things are: transparency, measures, and a kind of philanthropy that is more than grants and uses a much broader spectrum of investment resources and tools. This is what will move us toward greater sustainability.
- Funders and practitioners must very hard to make their lessons learned applicable, practical. We must keep our eyes focused on people and results. Our struggle will be to find ways in which we make our collaboration useful and practical in our own work. We need to be honest and accountable in stewardship of money. We need to be honest in conveying what is working and not working.

Developing a Collective Voice

- There is great diversity of resources and issues in rural America and also great potential in bringing diverse stakeholders together. Can't achieve real impact without a lot of partners. What is lacking in rural areas is constituency and a clear policy of advocacy. Where do we find the hook to change policy around "rural"? Not agriculture anymore. Also, how do we communicate that rural is important to a vast majority of urban folks?
- Policy decisions have important impact on rural areas and the need for public funding. One aspect of this work is to help policy makers and others see policy issues through a "rural lens." The goal would be to help decision makers to understand how decisions on a wide variety of issues – globalization, environment, housing, education financing, etc. – impact rural areas and their ability to thrive.
- There is also a need to educate rural residents and to support grass roots, rural policy agendas and to organize their voices for action and public influence.
- Coalition building is important for advancing policies that would assist rural communities. There is a need to build rural networks and establish coordinated approaches to public policy with a rural understanding and priority.
- In many states, including states not generally thought of as rural, rural communities may be an important political constituency and vital to passage of legislation favoring urban areas. It is important to build urban-rural partnerships and to help these communities see their common interests, particularly in the face of growing suburban power bases. Rural folks see the connection between urban and rural more easily than vice versa and that much work needs to be done in this area.