

PROPOSED POLICY POSITIONURGING THE FEDERAL GOVERNMENT TO ENSURE EFFECTIVE
COORDINATION OF STATE-FEDERAL-LOCAL RURAL
DEVELOPMENT PROGRAMS AND PRIORITIESBackground

Recent downturns in the agricultural industry have threatened the survival of many small business and rural communities throughout the nation. All levels of government must join together immediately in a comprehensive national effort to stem the tide of economic decline in rural communities and the exodus of its future leaders through revitalization of the agricultural industry and by new value-added incentive programs to diversify the economies of these rural communities.

Maximum flexibility should be given to enable state government officials to maximize rural program resources by tailoring them to the needs of individual areas and directing them to the "rural" areas of highest priority. The definition of "rural" area depends upon the particular perspective of the policymaker, and mechanisms must be developed for ensuring effective coordination of state-federal and local "rural" development priorities.

As opposed to one-shot grants for rural development, these initiatives should include follow-up evaluation and review. Additional funding would be available only where it can be shown that such rural development is a success, or where significant effort was demonstrated and such effort would automatically qualify for additional funding. The federal government must work with the states and local governments to ensure that its investment decisions support state and local rural development priorities.

Recommendation

In order to facilitate an effective rural economic development and diversification program, the Southern Legislative Conference urges the federal government to create a mechanism for identifying joint state-federal-local investments targeted to rural development priorities, with particular emphasis on added value projects to "rural areas".

Adopted by the Southern Legislative Conference Agriculture and Rural Development Committee August 21, 1988
(Sponsor: Senator Robert H. "Rob" Smith, Mississippi, Member, Agriculture and Rural Development Committee)