Redefining Alabama's Rural Landscape: The New Micropolitan Areas

Categorization of an area as urban or rural can be an important concern with respect to perceptions of economic vitality and development potential. Census Bureau definitions of urban and rural, officially made at the block level based on population density, are generally overlooked as too complex. A more useful measure from a statistical standpoint is identification at the county level as a member of a metropolitan area or not as a proxy for urban and rural. But this distinction has been blurred by the addition of some very “rural” counties to metropolitan areas in the post 2000 Census redefinition that dropped the requirement of “metropolitan character.” In any case, the large group of nonmetropolitan counties exhibit a very diverse set of characteristics and assets.

The new micropolitan designation recognizes nonmetro (rural) diversity by introducing an intermediate level of urbanization. Both metro and micro areas are built around the concept of a core city, but while metro area cores must have at least 50,000 residents, core cities of micro areas range in size from 10,000 to 49,999 people. Despite their smaller size, the core cities of micropolitan areas serve many of the same functions as their metropolitan counterparts, providing jobs, retail, and services for an area which may extend outside their county. All metro and micro areas are based on county geographies for simplicity and statistical reasons. Functional relationships are defined solely by commuting patterns—if 25 percent or more of the residents of an adjoining county travel into a core county to work, that county is included in the metro or micro area. Metro area designations, of course, take precedence over micros.

Counties which are neither metropolitan nor micropolitan can be designated nonmetro noncore. The Economic Research Service of the U.S. Department of Agriculture further divides nonmetro noncore counties by whether they are adjacent to a metro or micro area, as this is likely a positive indicator of development potential. Lacking a sizeable city and convenient access to jobs, deeply rural nonmetro noncore non-adjacent counties more often face population out-migration and economic distress.

Alabama’s New Patchwork

Thirteen micropolitan areas encompassing 15 Alabama counties have been designated by the U.S. Office of Management and Budget as of February 2004. These areas were home to almost 822,500 Alabamians on July 1, 2003, or 18.3 percent of the state’s population. Alabama’s micropolitan areas were also redefined. While the state kept the same 11 metro areas, the composition of five changed: Baldwin County was removed from the Mobile MSA to its own micro status; Lowndes County was added to Montgomery; Greene and Hale were added to the Tuscaloosa MSA; Walker, Chilton, and Bibb joined the Birmingham metro area; and the Dothan MSA was redrawn to include Henry and Geneva counties, while losing Dale to the Enterprise-Ozark micro area.

Since 1970, the majority of Alabama’s population has resided in the metro areas. Increases in the number of metro area counties as well as patterns of population growth have pushed the share of total population residing in a metropolitan area from 52.3 percent in 1970 to 69.6 percent in 2003. Adding the 18.3 percent of population in the newly-designated micropolitan areas leaves just 12.1 percent of Alabamians residing in a rural area as defined by the nonmetro noncore
concept. This was the only segment of the state to lose population between Census 2000 and July 1, 2003.

**Alabama Micros: A Diverse Group**

Alabama’s micropolitan areas comprise a diverse group of counties largely in the central to eastern half of the state. All 15 counties adjoin at least one metropolitan county. Yet these counties have attained micro status by creating their own economies in the shadows of their larger neighbors. The micro areas vary greatly in population size. Daphne-Fairhope is by far the largest—its 2003 population of 151,831 ranks it ahead of six of Alabama’s metros in population. In fact, of 573 micro areas nationwide, this Baldwin County micro ranks as the ninth largest based on 2000 population. With just 23,449 residents in 2003, Tuskegee is the state’s smallest micro.

While the micropolitan counties do not offer quite as many nonagricultural jobs as the number of employed residents, most of them come close. And many are benefiting from the state’s growing automotive manufacturing and supplier industries. The Talladega-Sylacauga micro is home to the Honda vehicle assembly plant, while 10 of the 15 micros counted at least one Tier One to Tier Four supplier, for a total of 44 supplier plants, in 2003. This number is growing as new Hyundai suppliers in the micropolitan counties bring their plants to completion.

Unemployment across the micro areas was mixed in August 2004. Seven fell at or below the state’s 6.0 percent average. But three micros—Selma, Tuskegee, and Valley—faced double-digit unemployment. The Selma micropolitan area should see improvement in their job picture as several Hyundai suppliers complete plants in the area. But other micro areas face the uncertain future engendered by an economy still dominated by textiles and/or apparel—this is particularly true of Valley, Alexander City, Fort Payne, and Scottsboro. The poultry industry figures prominently in the economies of the Albertville, Enterprise-Ozark, Eufaula, and Fort Payne micropolitan areas. But in many of Alabama’s 13 micros, health services and education are also prominent economic components.

Some of Alabama’s micros are vibrant, growing economies. For the first half of 2004, six micros had at least four new and expanding industry announcements. These include Albertville, Cullman, Daphne-Fairhope, Fort Payne, Scottsboro, and Talladega-Sylacauga. And Alexander City, Enterprise-Ozark, and Selma each reported one or two industry locations or expansions. However, income has generally lagged, with just the Daphne-Fairhope micro exceeding the state’s per capita personal income of $25,548 in 2002.

The Economic Development Institute at Auburn University recently ranked Alabama counties on economic vitality using data on population growth, high school and college graduates, median household income, poverty, unemployment, and job growth. Five of the counties that make up Alabama’s micropolitan areas ranked in the top third of the state’s 67 counties on the composite index, including Baldwin (2), Coffee (13), Cullman (14), Marshall (15), and Dale (22). Jackson, DeKalb, and Tallapoosa counties ranked in the mid-20s, while Talladega, Barbour, and Pike also fell in the middle third. But Coosa, Macon, Chambers, and Dallas counties placed in the lowest third on economic vitality in 2003 on the basis of factors including population losses and weak job growth.

**Implications of Micropolitan Area Status**

Beginning in 2005, information will begin to be tabulated for the new micropolitan areas. Statistics available will include data on personal and per capita income from the Bureau of Economic Analysis (BEA), the Department of Housing and Urban Development (HUD)’s median family income, and employment and unemployment data from the Bureau of Labor Statistics (BLS), to cite a few examples. And while the Office of Management and Budget (OMB) cautions that micro and micro areas are not intended as a framework for nonstatistical activities such as program funding, the micropolitan designation should allow these areas to apply for some metropolitan-based federal and state aid.

Implications for the new micropolitan areas go far beyond the convenience of statistical data and access to government funding, however. The 15 counties that comprise Alabama’s 13 micropolitan areas have been elevated from a background status of generic nonmetropolitan to the quasi-metropolitan. Their visible recognition as centers of local economic activity can serve as a useful tool for further economic development.

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