The Small Town in Rural America

Aggressive leadership, absence of controversies, a willingness to work, and a program for development could mean the difference between a stagnant and a thriving small town

GLENN V. FUGUITT

Despite continuing urbanization, the small town is still an important part of the rural settlement fabric. These centers serve perhaps one-fourth of the nation's population living on over one-half of its land area. In 1960, incorporated centers under 2500 in size included about six percent of the population of the United States. Perhaps more significant, however, is the fact that these make up fully three-fourths of all incorporated centers in the nation. This paper considers recent changes taking place in the small town, especially as they pertain to population size. Social and economic trends in the setting of the small town are related to these changes, and possible courses of action for individual small towns are explored.

For many years writers have predicted the doom of the small town. Yet small towns have persisted up to the present, and in most cases grown. This is particularly true of incorporated places over about 1000 in size. Table 1 shows recent trends for such places considered together. Places 1000 to 2500 in 1950 (all taken together) increased 27 percent, while places 2500 to 10,000 increased 32 percent. This compares favorably with the 29 percent growth of the U.S. urban population over this decade. Places under 1000, however, are together growing at about one-half this rate.

Despite these aggregate increases, many individual small towns are declining, especially smaller ones in remote rural areas. Many others are facing a real challenge as a result of current changes in

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population and technology. In any event, population growth at a slow rate is no cause for complacency. If growth over a decade is less than natural increase (births minus deaths), then there has been a net migration out of the community. Little research has been done on migration to and from small towns. Work now underway at Wisconsin, however, indicates that of 277 Wisconsin places under 2500 in 1950 which increased between 1950 and 1960, 147 (over one-half) had a net migration loss over the decade.

Table 1. Total population change 1950–1960, for small places classified by size in 1950, United States.

<table>
<thead>
<tr>
<th>Size in 1950</th>
<th>Number of places</th>
<th>Per cent change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 1000</td>
<td>9714</td>
<td>15</td>
</tr>
<tr>
<td>1000–2500</td>
<td>3398</td>
<td>27</td>
</tr>
<tr>
<td>2500–10,000</td>
<td>2642</td>
<td>32</td>
</tr>
</tbody>
</table>

The Centralization of Activities

To understand the changing status of the small town today, it is necessary to move in for a closer view of its setting. The typical small town in most parts of the country functions as a trade and service center for an agricultural hinterland. The majority of small towns grew up during or shortly after the initial settlement of the open country. Hence their location was strongly influenced by the transportation of an earlier era. Important considerations were location on a railroad and easy access by horse and wagon for farmers being served.

These places are interrelated with larger towns and the open country through trade and service activities. Nearby larger places provide more specialized goods and services and may serve as wholesale centers. This system is sometimes viewed as a hierarchy of places by geographers and sociologists.

Changes in this system of relationships, particularly since about 1920, appear to have inhibited the growth of small places. Trade and service activities have tended to centralize. With improved transportation, rural people have a wider range of choices of places to go for goods and services. At the same time, the demand for goods and services becomes so varied and specialized that their satisfaction is far beyond the scope of an individual small town. So-called “economies of scale” operate to put the small store, creamery, or cheese factory at a competitive disadvantage. The growing complexity of farm machinery means that a store offering complete
sales and services must be a relatively large one, drawing on a wide clientele. Hence, one cannot be located in every small town. Technological changes making for fewer but larger farms, then, seem also to encourage fewer but larger establishments to furnish inputs and to serve as markets for farm products. The operation of the same kinds of constraints, moreover, has led to the centralization of professional services (such as private medical practice) and public institutions, such as high schools and hospitals.

In the economic sphere, evidence of centralization was reported as far back as the twenties with studies showing smaller places losing establishments, especially those selling more specialized goods. Recent studies in the Middle West also support the proposition that the market radius of small towns is declining at the expense of larger towns, and that small towns are more and more becoming centers for convenience goods and services in the same way as the corner neighborhood stores perform this function in big cities.

An apparent effect of this centralization trend is shown by all studies of small towns. No matter where they were done, such studies have shown larger places to be more likely to grow, and to grow at a faster rate, than smaller places. This was evident in Table 1 for places under 10,000 between 1950 and 1960. The situation for smaller places in Wisconsin over the 1950-60 decade is given in Table 2. While only one place in five, 1000-2499 in 1950, was losing, almost half of the places under 500 population were losing.

These findings are typical of the situation in other parts of the country. From a dynamic point of view, they bring to mind the old saying “growth attracts growth.” A town may well obtain new economic or public service activities as it develops more retail estab-
lishments and commercial services, builds churches and schools, provides adequate community services, and develops active voluntary organizations—the result of being more attractive than its competitors.

Table 2. Per cent of places losing, 1950-1960, by size of place in 1950, Wisconsin.

<table>
<thead>
<tr>
<th>Size of place 1950</th>
<th>Number of places</th>
<th>Per cent places losing 1950-1960</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 500</td>
<td>177</td>
<td>46</td>
</tr>
<tr>
<td>500-1000</td>
<td>135</td>
<td>33</td>
</tr>
<tr>
<td>1000-2500</td>
<td>112</td>
<td>20</td>
</tr>
<tr>
<td>All places under 2500 in 1950</td>
<td>424</td>
<td>34</td>
</tr>
</tbody>
</table>

Research also has shown that proximity and size of competing service centers is important in explaining population growth. Small towns in southern Minnesota (under 2000 population) which were near centers slightly larger (2000-5000) were less likely to grow than other small places not so near competing centers. In a more recent study of the Upper Midwest, it was concluded that wherever two centers with similar retail facilities are separated by less than 20 or 25 miles, the smaller center is typically losing an appreciable part of its trade area to the larger. More remote centers, on the other hand, appeared to strengthen their trade areas over time.

In summary, at the local level there is a centralization process going on, with smaller towns in many instances losing out to larger ones nearby. Smaller towns are not growing as rapidly as larger ones as a rule, and neighboring places may often be in competition with each other for trade or public or private institutions.

**Population Change in the Local Area**

Another important consideration for the small town is the population changes taking place throughout the setting in which it is located. Thus general rural and urban population trends strongly affect the population past and future of these places. The connection is most obvious with respect to the loss of the farm population. If most small towns are service centers for rural America, then the decline of the open country farm population should spell decline for these places as they fight over smaller and smaller numbers of cus-

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*Borchert and Adams, *op. cit.*, p. iii.*
Economists have noted that decline of the farm population is generally accompanied by consolidation of farms into larger units, with attendant added mechanization. Thus, sales of farm inputs may actually increase, and the marketing volume of farm output may also increase as productivity rises with fewer, larger farm units. Consumer goods stores in small towns, however, may experience changes in the blend of farm-family spending. If the remaining fewer farmers gain larger net incomes, there should be less spent overall for groceries, but more for housing, furniture, appliances, and recreation.\(^7\) If this proposition is valid, it should help to explain the expansion of many medium-sized small towns even in areas losing farmers. On the other hand, it holds little comfort for the hamlet unable to offer specialized services.

The total population trends of areas in which small towns are located are closely associated with village growth. A study in progress, for example, considers the United States divided into economic areas as designated by the census. With these units, total population change over the 1950-60 decade is highly correlated with average change of towns 1000 to 10,000 in size.

In Wisconsin, the 72 villages under 2500, located in counties where the non-village population increased more than 20 per cent, grew, with one exception, between 1950 and 1960. On the other hand, of the 201 villages in counties where the non-village population is declining, over half lost population. (See Table 3.) Studies in other states have yielded similar findings. The facts that the farm population continues to decline and that each recent decade has seen more counties experiencing heavy total population loss cannot

<table>
<thead>
<tr>
<th>County non-village per cent change</th>
<th>Number of places</th>
<th>Per cent places losing 1950-1960</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss</td>
<td>201</td>
<td>55</td>
</tr>
<tr>
<td>Gain 0-19</td>
<td>151</td>
<td>21</td>
</tr>
<tr>
<td>Gain 20+</td>
<td>72</td>
<td>1</td>
</tr>
<tr>
<td>All places under 2500 in 1950</td>
<td>424</td>
<td>34</td>
</tr>
</tbody>
</table>

\(^7\) Arnold Paulsen and Jerry Carlson, "Is Rural Main Street Disappearing?" *Dairy Farming Methods*, XXXIII (December, 1961), 12-13 ff. See also Dean S. Lynam, "A Study of Changes in Retail Sales Patterns by City Size Classes," in Claude F. Kohn (ed.), *Urban Responses to Agricultural Change* (Iowa City: University of Iowa, 1961), pp. 141-49.
speak well for the future of small towns in remote rural areas, particularly those of hamlet size.

Small towns of all sizes near large cities, however, have tended to grow. There is evidence that such towns can take on a new function. Many are shifting from strictly agricultural service centers to serving also as commuter towns. In Wisconsin, only 4 out of 91 small towns located within 30 miles of a center of 50,000 or more declined between 1950 and 1960, according to Table 4. In marked contrast, 62 per cent of the small towns located more than 30 miles from a center of 10,000 or more declined. (Here, as before, incorporated places under 2500 population in 1950 are under consideration.)

Table 4. Per cent of places losing, 1950-1960, by size of largest center within 30 miles, Wisconsin.

<table>
<thead>
<tr>
<th>Size center within 30 miles</th>
<th>Number of places</th>
<th>Per cent places losing 1950-1960</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 10,000</td>
<td>145</td>
<td>62</td>
</tr>
<tr>
<td>10,000-50,000</td>
<td>188</td>
<td>28</td>
</tr>
<tr>
<td>50,000 up</td>
<td>91</td>
<td>4</td>
</tr>
<tr>
<td>All places under 2500 in 1950</td>
<td>424</td>
<td>34</td>
</tr>
</tbody>
</table>

A number of studies in other areas have shown similar relationships, including work covering Iowa, Southern Minnesota, and the entire Upper Midwest area. In the Upper Midwest area, 85 per cent of isolated towns under 1000 lost population between 1950 and 1960, compared with only 55 per cent of the more accessible places in this size group. The author of the Upper Midwest study concluded that small towns within future commuting ranges (say, 50 miles) of thriving urban centers have good chances for survival and growth.

COMMUNITY ACTION

If the inhabitants of small towns in rural areas view population stability or decline with alarm, what are they to do? If their reason for existence has been to serve a clientele primarily engaged in extractive industries such as farming, forestry, or mining (which is

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now declining in numbers if not in volume of business) adding new functions would appear to be necessary. For example, the possible transformation to a commuter town, or “dormitory community,” has already been discussed. This new role, however, is more likely to be imposed on the town by its location than obtained by activities of its townspeople.

Certainly the most commonly mentioned course of action is to try to obtain new industry. The view of many seems to be that new industry is a panacea for the “ills” of the small town. Some industry is of course moving into rural areas. But it seems unlikely that the magnitude of this shift, now and in the future, will be sufficient to bring added life to some 20,000 odd places. Such prospects run counter to the general trend of industrial centralization in and around large cities. Among small towns themselves, the larger places have it all over smaller places. If a town has a hospital, a high school, and adequate commercial services, it will be much more attractive to prospective small industry. Again size attracts growth, and the small hamlet is left farther behind.

A third new function for many communities is recreation. Recreational activities are expanding, and many small places have locations which would allow them to move into this field—especially in light of continuing transportation improvements. Beale and Bogue give the interesting example of a remote rural county transformed through the building of a dam. Camden County, Missouri, had a 16 percent increase in population during the 1950’s as the result of business and retirement homes fostered by the Bagnell Dam and its reservoir, the Lake of the Ozarks. Yet the population had been declining in this county for the 50 previous years.10

Acting as service centers for persons engaged in recreational activities is no more a panacea for all small towns than is attracting industry. Increased population densities in and around the cities of our nation, however, puts a higher premium on what is in abundance over much of the countryside—land, space, water, and wildlife. Further, the increasing level of living and mobility of urban people certainly suggest a future expansion of recreation in select areas.

Individuals can and do make a difference in any community. Aggressive leadership, the absence of controversies which may divert

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energy from community goals, a willingness to work, and a program for development could well mean the difference between a stagnant and a thriving small town. But there is danger that a vicious circle may evolve, with decline leading to pessimism on the part of inhabitants, which may lead to further decline.

Without denying all this, it is striking that recent population trends of villages are closely associated with several factors that are simply beyond the control of the residents of individual villages. In the Wisconsin study, there were 21 villages which had optimum growth potential in terms of the three population variables considered. They were all larger, with populations between 1000 and 2000, in counties with non-village growth of over 20 per cent during the 1950's, and located less than 30 miles from a city of 50,000 or more. All of these 21 places were growing, eight by more than 50 per cent over the decade, and only one by less than 10 per cent. At the other extreme of growth potential, there were 12 places under 500 in size, in counties losing non-village population, and located more than 30 miles from a city of over 10,000. Nine of these places declined in size, and the other three grew less than 10 per cent. This illustrates how growth or decline may be strongly influenced by the town's setting, and by its place in that setting as indicated by its initial size. Villages, then, need to work in close contact with other population groups over a wide area, if they are to solve problems arising through population growth or decline.

**Conclusion**

This review has shown that the future of the small town is tied up with the processes of urbanization and population redistribution taking place in America. If these trends continue as at present, most villages in areas where population is concentrating will grow, and some will even become cities. No doubt many of these will be dormitory communities for families of persons who work in nearby cities, as well as trade and service centers for a growing, open-country, non-farm population. Elsewhere, slow growth or decline may well continue to be the rule for most population segments, including the small town.

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*All higher motives, ideals, conceptions, sentiments in a man are no account if they do not come forward to strengthen him for the better discharge of the duties which devolve upon him in the ordinary affairs of life.*