BRINGING PEOPLE TOGETHER: 
RURAL IS ‘DIFFERENT,’ NOT ‘LESS’
A foundation executive says some philanthropies may use questions of "capacity" as an excuse not to fund projects in rural America. But in the long run, he says, urban-based philanthropies need rural constituencies to make a difference at the national level.

First of two parts

EDITOR's NOTE: This article was provided by the National Rural Assembly, a coalition of rural advocates working on diverse rural policy issues. Today's article examines the role of philanthropy in rural communities. Tomorrow, we'll look at youth leadership and
Philanthropies that aren’t investing in rural communities are missing big opportunities, says Justin Maxson, executive director of the Mary Reynolds Babcock Foundation in North Carolina.

Whether they are trying to win statewide policy victories, serve individuals who need help the most, or address issues like climate change or economic renewal, philanthropies won’t make as much progress if they don’t include rural communities in their programs, Maxson says.

But that’s apparently not what has happened in the recent past. A U.S. Department of Agriculture study released last year showed that rural areas, while they were home to about 19 percent of the U.S. population, received only 6 to 7 percent of private foundation grants awarded from 2005 to 2010. Agriculture Secretary Tom Vilsack called the disparity “tragic,” especially in light of earlier conversations the administration has had with foundation leaders about increasing philanthropy in rural areas.

“Private philanthropy needs to understand the role that rural America is going to play in the really big picture,” Vilsack said last year in his address to the National Rural Assembly in Washington, D.C.

Maxson was also on the program at the September Rural Assembly. He joined Kathy Annette of the Blandin Foundation, Jamie Bennett of ArtPlace America, and Heetan Kalan of the New World Foundation in discussing the role of private philanthropy in rural development.

Maxson said one problem is the assertion by some foundations that rural communities lack capacity to put grants to good use. But that’s often more a matter of perception than reality foundations, he said. In the interview below, we asked Maxson to tell us more about his views on effective rural philanthropy.
Daily Yonder: Tell us just a little bit about your background. You’re from a rural area, right?

Justin Maxson: My family’s from Estill County, Kentucky, so I consider myself a rural person, but I’ve lived in Boston and San Francisco, so I’ve had my share of urban. I spent the last 15 years running a CDFI in Appalachian Kentucky. My work has been mostly regional, trying to figure out how to help people in Appalachia express a vision of what’s possible, and build the economic, political and policy infrastructure necessary to see that vision come true. I probably have worked with 400 entrepreneurs in rural communities over the last decade, and probably helped invest 40 million dollars in loans to small rural businesses.

When you spoke at the National Rural Assembly [September 2015], you and your fellow panelists spoke of an assumption within the philanthropic world that rural non-profits don’t have capacity, which is, as you said, “bunk.” How do you know that?

As a famous person once said, it’s complicated. Clearly there are rural places that don’t have enough capacity, and I think anybody who says otherwise hasn’t spent enough time in rural America. I think the challenge is that foundations use that as an excuse not to learn where there is capacity, and I think there is a ton of capacity across rural America. I’ve been doing work in Appalachia for 15 years, from small and rural towns, to county seats, to hills and hollows. I think there are a range of civic associations, non-profit organizations, and local leaders who bring skills from their work in all sorts of settings that translate into capacity to support changing those places.

It’s hard for foundations to go deep enough to really learn a place. If you look across rural America, it’s a big landscape. It takes settling in a place and building relationships, scratching beneath the surface to understand that capacity, to resource it, to figure out what the needs are, and what the opportunities are in those places. I think, “there’s no capacity,” even if there’s an element of truth to it, is used as an excuse not to do the hard work necessary to find that capacity, and resource it.
I was in the Delta on a site visit in June, and we met with city council people in three small Delta communities. Each of them wore about three hats. They worked at other non-profit organizations, they were on the city council, and then they had some primary occupation role in the community. They were incredibly bright, full of energy, and each of them had related, but different, visions of their communities. It was impossible to walk away from that day and think there isn’t capacity in the Delta. There absolutely is. There may not be resources, there may not be the economic opportunity, or the density of opportunities that you have in a higher population place, but there absolutely is human capacity to do the work that needs to be done.

**How does your foundation, which is based in an urban environment, settle into a rural community? What kind of tactics do you use?**

It’s not easy. I don’t want to pretend there’s a Harry Potter spell you can say. It’s not that simple. We spend a lot of time building relationships with partners and communities. We don’t pretend that we can be of a place, but we sure the heck can be authentic. We can ask good questions. We can listen well. We can, through local partners, build the connections that result in a better understanding of the place. We spend a ridiculous amount of time on the road. There is cost in that, to staff. There is cost in that financially. There’s cost in that in terms of our organizational culture, but I think it absolutely improves our grantmaking.

We are very committed to a multi-year general support. We recognize that even where there is capacity, there are always capacity needs, right? It’s not like even in higher capacity rural communities, they have it figured all that out. There are deficits, there are challenges, so we we’ve elected to say, “not only do we believe there’s capacity, not only are we willing to listen hard and find it, we’re also willing to support the growth of that capacity in those places.”

**During the Rural Assembly, Secretary of Agriculture Tom Vilsack talked about rural communities as idea innovation labs, where funders can try something on a small scale, in a controlled environment, see how it works, and then scale it up. How do you respond to that idea?**

I do think one of the proxies for the capacity argument is scale, so even if somebody is willing to
believe there is some capacity, they’re unwilling to invest where they think the scale will be small. I think that’s a legitimate concern, but there are strategies like working regionally, that you can employ. Think about how you grow capacity across a region in a way that makes sense economically or culturally, and where there are opportunities. There are natural organizing principles across rural America that depend on the place. Some of them are cultural, some of them are economic, and you could organize work through those organizing principles in a way that are natural to the place. It takes understanding those places, but it would help defeat this idea of there just isn’t enough scale.
What kinds of things has the Mary Reynolds Babcock Foundation done to test the capacity, explore the capacity, build the capacity, or evaluate the capacity of the rural communities in which you work?

We've looked at state policy, infrastructure, and the ways that rural and urban organizations can work on together in coalitions. We evaluated what effective research and policy work look like, and how we help support networks to do that work. For the past 30 years, we have sought to build on the capacity in the South, help build strong anchor institutions and enhance their ability to collaborate. We support strong leaders, and we know that from building or helping support strong institutions and strong leaders, good things will happen. There's a ton of evidence that says that kind of strategy, over time, can produce real results.

What advice would you give to other funders about understanding, leveraging, and supporting capacity in rural areas?

Eyes wide open. There's a lot of capacity there, it just takes slowing down enough. Support multiple hats, and the people who wear them, which is a form of leadership development. If you're interested in statewide policy, you can't win without rural places. I think it's very true, and if I want to win on the issues, it means I'm listening well, it means I'm looking for that capacity, and it means it means going deep enough to scratch underneath the surface. It doesn't take a whole lot of find it, but it takes looking. To look, you've got to believe it's there.

I think there's a lot of evidence that says it's there, if you're willing to listen, and if you think it's important. I believe the Metropolitan Institute's 100 city strategy has done much damage to rural concerns because so much of the interpretation of that argument was, "we can succeed only if we focus on economic opportunity in metro places." But there's real evidence that solution isn't working for us.

What kinds of things can rural communities do to help foundations better understand and trust their capacity?

I would say it's a conversation that resists one-liners. There aren't easy bumper stickers about rural capacity. It's there, but part of the endeavor is slowing down enough, and sinking into a place enough, and caring enough to scratch that surface. It's not a matter of finding an easy way of talking about it, or of measuring the right
things, or of lifting up the right evidence. I don't think that's quite it. I do know that if you want to win statewide on any issue, you can't forget rural places. I also think there's a moral argument that says, If people are important, you can't think about injustice without acknowledging the plight and the opportunity in rural America. There are political arguments, climate arguments, and moral arguments about why rural America is important to creating a healthy country, and we've got to do a better job at articulating those.

Betsey Russell is a consultant to philanthropies and to the National Rural Assembly. She is the author of the novel, Other People’s Money (http://elizabethrussellfiction.com), a whodunit set in world of philanthropy and nonprofits.

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