This publication summarizes current demographic, economic, and social trends in rural Iowa between 2007 and 2017. It is modeled after the United States Department of Agriculture’s *Rural America at a Glance*. Current year data are presented along with changes from last year and five years ago. Data are reported for Iowa’s metro, micropolitan, and rural areas. 

**Metropolitan** includes central counties with an urban center over 50,000 people, plus outlying suburbs linked by commuting patterns. **Micropolitan** counties have an urban center of at least 10,000 people, plus surrounding suburbs. **Rural** counties (technically non-core) have no urban center of 10,000 or more.

### Key Findings

- Net farm incomes dropped sharply last year, and is down 75 percent from 2013. One-third of Iowa’s counties have negative net farm income.

- Commercial farms (25 percent of all farms) experienced the largest losses, coupled with high and growing debt. However, smaller and residence farms (remaining 75 percent) fared better due to larger off-farm incomes.

- Micropolitans have seen sharp drops in both jobs and wages over the last year. Rural Iowa experienced flat job growth and falling earnings. Both are driven by downturns in the goods-producing and farm sectors.

- The employment situation is mixed, with falling unemployment but also falling labor force participation. This indicates many unemployed have stopped looking for work. This is a problem in micropolitan cities and southern Iowa.

- Household incomes grew and poverty rates fell across Iowa. Metro areas had the largest income gains and biggest poverty drops.
Rural Iowa in decline, micropolitan populations are stable. 
Metro populations continue to grow.

**Rural Iowa**
- 24.7% of population in 2017.
- Down ↓0.4% from 2016, down ↓1.5% since 2013.

**Micropolitan Iowa**
- 15.7% of population in 2017.
- Stable since 2016, but down ↓0.9% from 2013.

**Metropolitan Iowa**
- 59.6% of population in 2017 (49.3% in core and 10.3% in suburban counties).
- Up ↑10.9% from 2016, up ↑4.0% since 2013 (↑3.7% in core and 5.4% in suburban counties).

Source: Population Estimates, U.S. Census Bureau
Non-metro Iowa continues to lose people under 55 years of age. Growth in those near or in early retirement. Senior boom in metro counties.

**Rural Iowa**
- Fewer children (↓2.5%) and high school/college age populations (↓2.3%).
- Fewer young working age adults ages 25-34 (↓1.3%), but stable for 35-44 year olds.
- Sharp loss in 45-54 year olds (↓14.2%), but gain in near retirement ages 55-64 (↑13.8%).
- Sharp gain in seniors ages 65-74 (↑11.3%), but loss in elders ages 75 and older.

**Micropolitan Iowa**
- Fewer children (↓1.5%) and drops in high school/college age populations (↓4.1%).
- Little change in young working age adults ages 25-34 (↑0.8%) and 35-44 (↑0.3%).
- Sharp loss in 45-54 year olds (↓11.8%), no change in 55-64 year olds.
- Sharp gain in seniors 65-74 (↑15.1%), but drop in elders age 75 and over.

**Metropolitan Iowa**
- Growing numbers of children (↑2.7%) and high school/college age populations (↑2.1%).
- More numbers of young working age adults ages 25-34 (↑2.8%) and 35-44 (↑5.3%).
- Drop in 45-54 year olds (↓3.6%), but a jump in 55-64 year olds (↑5.5%).
- Massive gains in seniors ages 65-74 (↑20.7%) and elders 75 and older (6.5%).

*Source: Population Estimates, U.S. Census Bureau*
State is less diverse than the nation. Fewer minorities in rural Iowa, but this demographic is growing.

*Rural Iowa*
- 7.4% minority in 2017.
- Up ↑3.7% from 2016, up ↑14.7% since 2013.

*Micropolitan Iowa*
- 12.7% minority in 2017.
- Up ↑3.0% from 2016, up ↑13.1% since 2013.

*Metropolitan Iowa*
- 17.2% minority in 2017.
- Up ↑3.7% from 2016, up ↑17.1% since 2013.

Minority populations include those of a non-white race or Hispanic ethnicity.
Rural and micropolitan incomes lower and slower growing. Metro incomes high, large gains since 2013.

**Rural Iowa**
- $54,920 per household in 2017.
- Slow gain at ↑1.0% since 2016, but up ↑3.6% from 2013.

**Micropolitan Iowa**
- $52,880 per household in 2017.
- Stable at 0.5% from 2016, but up ↑4.2% since 2013.

**Metropolitan Iowa**
- Up ↑1.7% from 2016, up ↑8.0% since 2013.

U.S. Average: $60,340 in 2017, up ↑2.9% from 2016, up ↑10.3% from 2013.

*Source: Small Area Income and Poverty Estimates, U.S. Census Bureau*

Household income includes wages, self-employment, capital gains, and transfers (retirement, Social Security, and welfare).
Poverty rates falling statewide.
Sharp drops in metro Iowa.

**Rural Iowa**
- 10.4% in poverty in 2017.
- Down ↓0.7 of a point from 2016, down ↓1.3 points since 2013.

**Micropolitan Iowa**
- 12.0% in poverty in 2017.
- Down ↓0.5 of a point since 2016, down ↓1.5 points from 2013.

**Metropolitan Iowa**
- 10.7% in poverty in 2017.
- Down ↓1.1 points from 2016, down ↓2.1 points since 2013.

U.S. Average: 13.4% in 2017, down ↓0.6 from 2016, down ↓2.4 from 2013.
Source: Small Area Income and Poverty Estimates, U.S. Census Bureau

Poverty and Change by County

Poverty rate is the percent of people whose incomes fall below the federal poverty level. In 2017, it was $12,060 for one person and $24,600 for a four-person family.
Falling job participation statewide, especially in urban Iowa. Participation highest in rural areas, lowest in micropolitans.

**Rural Iowa**
- 66.9% participation in 2017.
- Down ↓1.1 points from 2016, but slightly up ↑0.7 of a point since 2013.

**Micropolitan Iowa**
- 63.1% participation in 2017.
- Down ↓1.6 points since 2016, slightly down ↓0.8 of a point from 2013.

**Metropolitan Iowa**
- 66.7% participation in 2017.
- Down ↓0.9 of a point from 2016, down a sizable ↓2.2 points since 2013.

**U.S. Average:**
- 60.7% in 2017, stable since 2016, down ↓0.3 from 2013.


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**Labor Force Participation**

Labor force participation is the percent of people 16 years and older that have a job. It is a broad measure because it includes those not seeking work such as the unemployable, discouraged workers, and those not in the labor force.
Unemployment falling across Iowa. Micropolitan unemployment highest in state.

**Rural Iowa**
- 3.0% unemployed in 2017.
- Down ↓0.5 of a point since 2016, down ↓1.6 points from 2013.

**Micropolitan Iowa**
- 3.7% unemployed in 2017.
- Down ↓0.6 of a point from 2016, down ↓1.7 points since 2013.

**Metropolitan Iowa**
- 3.0% unemployed in 2017.
- Down ↓0.4 of a point from 2016, down ↓1.6 points since 2013.

Unemployment and Change by County

Unemployment and Change by County

Unemployment rate is the percent of people not having a job that are actively looking for one. It is a narrow measure because it excludes the unemployable, discouraged workers, and those not in the labor force.
Micropolitan job drop, metro job boom. Non-metro Iowa struggles to recover jobs lost during the recession.

Rural Iowa
- 23.6% of jobs in 2017.
- Stable at ↓0.2% from 2016 and ↓0.3% since 2013.

Micropolitan Iowa
- 14.6% of jobs in 2017.
- Down ↓1.3% from 2016, but no change since 2013.

Metropolitan Iowa
- 61.8% of jobs in 2017.
- Up ↑0.7% from 2016, up ↑4.3% since 2013.

Source: Regional Economic Accounts, U.S. Bureau of Economic Analysis

Jobs and Change by County

Job numbers are a total of both full-time and part-time positions, including self-employed, for all economic sectors (private, government, and farm).
Most non-metropolitan jobs are in the services sector. Goods-producing and personal services jobs fell last year. Farm jobs in decline.

**Professional-Related Services (private)**
- 29.8% of jobs in 2017 (vs. 41.8% in metros).
- Up ↑0.6% from 2016, up ↑0.9% since 2013.
  *Includes professional, finance, real estate, telecom, business, and health services.*

**Personal-Related Services (private)**
- 25.0% of jobs in 2017 (vs. 27.8% in metros).
- Down ↓1.2 from 2016, but stable since 2013.
  *Includes entertainment, recreation, lodging, food, and personal services, plus retail trade.*

**Goods-Producing (private)**
- 23.2% of jobs in 2017 (vs. 15.4% in metros).
- Down ↓0.9 from 2016, but up ↑2.6% since 2013.
  *Includes manufacturing and construction.*

**State and Local Government (includes public education)**
- 12.5% of jobs in 2017 (vs. 13.2% in metros).
- Stable since 2016, but down ↓1.5% from 2013.
  *Includes state agencies, city and county government, and public education (K-12 to higher education).*

**Farm**
- 9.5% of jobs in 2017 (vs. 1.8% in metros).
- Down ↓2.2% from 2016, down ↓4.1% since 2013.
  *Includes farm proprietors and farm workers.*

![Non-Metropolitan Jobs by Sector](chart-url)  
*Source: Regional Economic Accounts, U.S. Bureau of Economic Analysis*
Continued declines in rural earnings driven by farm sector losses. Sharp drop in micropolitan earnings last year.

**Rural Iowa**
- $43,190 per job in 2017.
- Down ↓1.4% from 2016, but down a sizable ↓11.8% since 2013.

**Micropolitan Iowa**
- Down ↓2.4% from 2016, down ↓2.0% since 2013.

**Metropolitan Iowa**
- $54,130 per job in 2017.
- Up ↑0.7% from 2016, up ↑3.8% since 2013.

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**Earnings Per Job and Change by County**

Earnings include wages and salaries, plus self-employment income, from employment in all economic sectors (private, government, and farm).
Farm earnings in steep decline. 
Goods-producing jobs highest paid, but earnings fell last year. 
Personal services jobs are the lowest paid.

**Goods-Producing (private)**
- $67,490 per job in 2017 (vs. $76,660 in metros).
- Down ↓3.0% from 2016, but up ↑5.3% since 2013.
  
  *Includes manufacturing and construction.*

**State and Local Government (includes public education)**
- $56,660 per job in 2017 (vs. $67,500 in metros).
- Stable since 2016, up ↑7.2% from 2013.
  
  *Includes state agencies, city and county government, and public education (K-12 to higher education).*

**Professional-Related Services (private)**
- $38,880 per job in 2017 (vs. $56,210 in metros).
- Stable since 2016, but up ↑6.5% from 2013.
  
  *Includes professional, finance, real estate, telecom, business, and health services.*

**Farm**
- $26,470 per job in 2017 (vs. $15,010 in metros).
- Down ↓19.9% from 2016, down ↓73.8% since 2013.
  
  *Includes farm proprietors and farm workers.*

**Personal-Related Services (private)**
- $23,980 per job in 2017 (vs. $28,740 in metros).
- Stable since 2016, but up ↑6.8% since 2013.
  
  *Includes entertainment, recreation, lodging, food, and personal services, plus retail trade.*

![Non-Metropolitan Earnings Per Job by Sector (2017)](chart)

*Source: Regional Economic Accounts, U.S. Bureau of Economic Analysis*
Net farm incomes dropped sharply last year, down 75 percent from 2013. One-third of Iowa’s counties have negative net farm income.

**Rural Iowa**
- Down ↓31.6% from 2016, down ↓79.9% since 2013.

**Micropolitan Iowa**
- Down ↓77.8% from 2016, down ↓96.6% since 2013.

**Metropolitan Iowa**
- $6,730 farm income in 2017.
- Down ↓60.4% from 2016, down ↓92.8% since 2013.

**Net Farm Income and Change by County**

*Source: Regional Economic Accounts, U.S. Bureau of Economic Analysis*

*Farm income is a farm proprietors’ net income from agricultural production and related activities.*
Commercial farms hit hardest, losses concentrated in 25 percent of Iowa farms. Smaller and residence farms fared better due to off-farm income.

**Retirement Farms (retired farm operator)**
- 10.9% of farms. Net farm income $33,680 in 2017, up ↑43.5% since 2013.
- Farm household income $83,560 in 2017, down ↓11.4% from 2013.

**Residence Farms (non-farm occupation or farms with sales under $150,000)**
- 55.0% of farms. Net farm income $9,830, up ↑14.7% from 2013.
- Farm household income $119,690 in 2017, stable since 2013.

**Small Farms (farmer occupation, sales $150,000-349,999)**
- 10.7% of farms. Net farm income $47,560 in 2017, up ↑14.2% since 2013.
- Farm household income $95,210 in 2017 (50.0% off-farm), stable since 2013.

**Midsize Commercial Farms (farmer occupation, sales $350,000-999,999)**
- 18.2% of farms. Net farm income $102,110 in 2017, down ↓35.6% since 2013.
- Farm household income $163,200 in 2017 (37.4% off-farm), down ↓27.4% from 2013.

**Large Commercial Farms (farmer occupation, sales $1 million or more)**
- 5.2% of farms. Net farm income $329,670 in 2017, down ↓48.9% since 2013.
- Farm household income $388,820 in 2017 (15.2% off-farm), down ↓46.8% from 2013.
Commercial farms have high and growing debt relative to assets. Midsize commercial farms near maximum debt levels.

Retirement Farms (retired farm operator)
- Debt to asset ratio 2.2 in 2017, up ↑1.6 points since 2013.
- 20.1% of maximum debt load in 2017, up ↑14.2 points from 2013.

Residence Farms (non-farm occupation or farms with sales under $150,000)
- Debt to asset ratio 9.1 in 2017, up ↑2.5 points since 2013.
- 82.7% of maximum debt load in 2017, up ↑34.5 points from 2013.

Small Farms (farmer occupation, sales $150,000-349,999)
- Debt to asset ratio 10.3 in 2017, up ↑3.4 points since 2013.
- 75.8% of maximum debt load in 2017, up ↑33.4 points from 2013.

Midsize Commercial Farms (farmer occupation, sales $350,000-999,999)
- Debt to asset ratio 18.7 in 2017, up ↑7.5 points since 2013.
- 94.1% of maximum debt load in 2017, up ↑53.5 points from 2013.

Large Commercial Farms (farmer occupation, sales $1 million or more)
- Debt to asset ratio 25.3 in 2017, up ↑13.7 points since 2013.
- 85.1% of maximum debt load in 2017, up ↑60.5 points from 2013.
Summary

In micropolitan and rural Iowa, jobs and earnings have remained sluggish over the past several years. Micropolitans have seen sharp drops in both jobs and wages over the last year, while rural Iowa experienced flat job growth and falling earnings. This is driven by a downturn in goods-producing industries (like manufacturing and construction); and also by four straight years of losses in the farm economy. This has caused median household incomes to grow more slowly in non-metro Iowa, with households having $8,000-$10,000 less income than their metro counterparts. Non-metro Iowa has struggled to recover from the effects of the Great Recession of 2008. Despite these challenges, poverty fell statewide and Iowa continues to have one of the lowest 10 poverty rates among individual states in the nation. By contrast, jobs and earnings in metro Iowa continue to boom, buoyed by growth in jobs and population in the state’s principal cities. These trends indicate a growing economic divide between metropolitan and rural Iowa, one that needs to be addressed through state policy and private investment.

The employment situation in Iowa is mixed. On the positive side, unemployment has fallen statewide, meaning more people who sought work found a job. However, labor force participation also fell over the same period, indicating a smaller share of the population is employed. These contradictory findings suggest that sizable segments of the population cannot find a job and have stopped looking for work altogether. This problem is especially acute in Iowa’s micropolitan cities and the southern tier of rural counties, where unemployment is high and labor participation low. On the other hand, northwest Iowa has a tight labor market, where few are unemployed and most of the population works. Thus, two responses are needed: one to address the job shortage in micropolitan and southern Iowa; and another to address the worker shortage in northern Iowa.

The above trends pale in comparison when one considers the farm economy is in freefall. Iowa farmers have endured their first years with back-to-back losses since 2013. Net farm incomes fell by a stunning 97 percent in micropolitan counties, 93 percent in metro areas, and by 80 percent in rural Iowa. One-third of Iowa’s counties posted negative net farm incomes in the current year; and only 17 counties saw an operating gain from the previous year. However, about three-quarters of Iowa’s farms have been largely unaffected by this growing crisis, since they are small or part-time operations that derive most of their income from off-farm sources. Instead, farm losses have been mostly concentrated among commercial farms. Despite only accounting for 23 percent of all farms, commercial operations farm 63 percent of acreage and produce 78 percent of agricultural sales in the state. Since 2013, midsize commercial operations (18.2 percent of farms on 800 acres with cash sales of $590,000) saw net farm incomes drop by 36 percent, down to $102,110 per farm. Debt-to-asset ratios also rose from 11.2 to 18.7, indicating farms are more leveraged. Current debt relative to the maximum feasible debt jumped from 40.6 to 94.1 percent, indicating future losses cannot be offset by more debt. Large commercial farms (5 percent of farms on 1,500 acres with cash sales of $2.2 million) fared worse, with net incomes cut in half since 2013, but farm income was still a sizable $329,670. Debt is also a problem, with debts relative to assets growing from 11.7 to a high 25.3; and debt loads spiking from 24.6 to 85.1 percent of maximum since 2013. It is clear a struggling agricultural sector has impacted farm incomes, rural earnings, and rural household incomes. At present, a declining farm economy is the greatest threat to rural prosperity in Iowa.
ISU Extension and Outreach Resources

Iowa Concern Hotline | www.extension.iastate.edu/iowaconcern
Assistance with legal, financial, stress, and crisis issues for families.

Ag Decision Maker | www.extension.iastate.edu/agdm
Farm financial planning, crop and livestock outlooks, and business development.

Community and Economic Development | www.extension.iastate.edu/communities
Programs on local economies and government, civic engagement, and diversity.

Iowa Community Indicators Program | www.icip.iastate.edu
General socioeconomic information for Iowa.

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Appendix – Data and Methods

County data are aggregated into metropolitan (counties with an urban center over 50,000 people, plus outlying suburbs linked by commuting patterns), micropolitan (counties with an urban center of between 10,000-49,999 people, plus outlying suburbs linked by commuting patterns), and rural/non-core (counties having no urban center of 10,000 or more) areas based on 2013 Core-Based Statistical Areas delineated by the U.S. Office of Management and Budget. Rural and non-core are used interchangeably, but rural has a specific definition not used in this bulletin (rural officially defined as places under 2,500 people or the countryside). Income data between 2007 and 2017 are inflation-adjusted to real dollars using the U.S. Bureau of Economic Analysis personal consumption price indexes.

Population and age counts are intercensal estimates between the official decennial censuses. Minority is the population self-identifying with a non-white race or Hispanic ethnicity regardless of race, taken from one-year American Community Survey estimates. Source: Population Estimates and American Community Survey, U.S. Census Bureau.

Median household income includes wages, self-employment, capital gains, transfers (retirement, Social Security, welfare) and all other income from persons in the household; and is reported as the income at the 50th percentile of households (median). Medians are used instead of means because they are less affected by very high incomes. Source: Small Area Income and Poverty Estimates, U.S. Census Bureau.

The poverty rate is calculated as the percent of people living in households whose income (from earnings, capital gains, and transfers) falls below the poverty income line for their household size. It excludes people living in institutions or group quarters such as prisons, military bases, nursing facilities, and college dormitories. Source: Small Area Income and Poverty Estimates, U.S. Census Bureau.

The labor force is the number of people available for work, counting those employed plus those jobless but looking for work. The labor force participation rate used in this publication is the labor force divided by total the population 16 years and older. It measures the percent of people participating in the job market, and by extension the broader economy. It is similar to the unemployment rate except it includes those not seeking work such as the unemployed, students, homemakers, and retirees. Source: Local Area Unemployment Statistics, U.S. Bureau of Labor Statistics.

The unemployment rate is the number of people unemployed divided by the labor force (those employed plus the jobless who are looking for work). The unemployment rate measures the percent of people not having a job that want one; and is a narrow measure of unemployment because it does not count the unemployed, discouraged workers, and those not in the labor force. Source: Local Area Unemployment Statistics, U.S. Bureau of Labor Statistics.

Jobs include both full-time and part-time positions such as wage and salary jobs, farm and non-farm proprietors, and general partners for all economic sectors (private, government, and farm). It measures jobs, not employed persons, so one person may have multiple jobs. Earnings include wages and salaries, supplements to wages or salaries, and proprietors’ income earned from jobs as previously defined. Economic sectors are defined using the North American Industry Classification System (NAICS). The farm sector includes farm proprietors and farm workers. The goods-producing sector includes construction and manufacturing. The professional-related services sector includes information/telecom, finance and insurance, real estate and rentals, professional services, management of companies, administrative support services, private educational services, and private healthcare and social services. The personal-related services sector includes entertainment and recreation services, accommodation and food services, repair and maintenance services, other personal services, and retail trade. The state and local government sector includes state agencies, city and county government, public K-12 education, and public higher education. Net farm income is farm proprietors’ net income from agricultural production and ancillary activities. Source: Regional Economic Accounts, U.S. Bureau of Economic Analysis.

USDA’s Economic Research Service classifies farms according to occupation and gross cash farm income (GCFI). These data exclude corporate-owned farms. Retirement Farms are those operated by a retired person with a GCFI under $350,000. Residence Farms are those either operated by someone whose primary occupation is not farming, or a farm operation with a GCFI under $150,000. Small Farms are those operated by a farmer with a GCFI of $150,000 to $349,999. Midsize Commercial Farms are farmer-operated with GCFI of $350,000 to $999,999. Large Commercial Farms are farmer-operated with GCFI of $1 million or more. Net farm income (NFI) includes net cash income (farm sales less expenses) plus value of inventory change and non-money incomes, but deducts depreciation and labor costs. Farm household income counts all income from farm and non-farm sources for all earners in the household (such as spouses), and is only reported for farm families and not corporate farms. It includes net farm income plus all other off-farm income sources (salaries and wages, non-farm self-employment, dividends and rents, retirement and Social Security, and cash public assistance). The debt-to-asset ratio is defined as total liabilities divided by total assets; and measures the risk associated with the operation’s financial structure. Assets include current ones that will be realized in cash, sold or consumed in the production process within one year; and non-current ones such as farm real estate and working assets that support the farm. Liabilities include current debt (paid within one year) and non-current debt (payable after one year) owed by the farm. The debt repayment capacity utilization (DRCU) is the percent of current farm debt over the maximum feasible debt (assuming 10% interest rates) the farm can cover from regular income streams, which measures debt utilization and the farm’s ability to take on additional debt. Source: Agricultural Resource Management Survey, Economic Research Service and National Agricultural Statistics Services, USDA.