



The Two New Hampshires

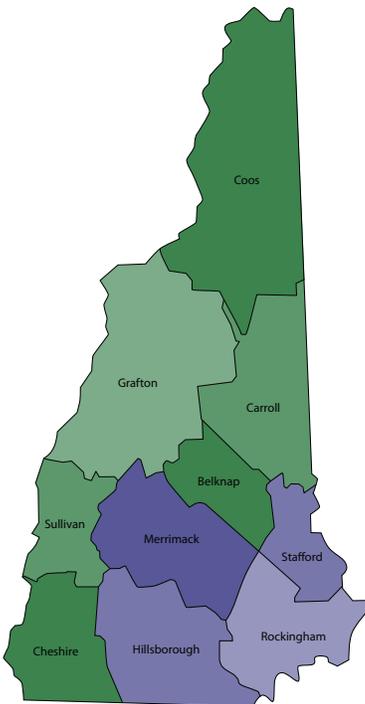
What does it mean?

By Dr. Ross Gittel

Chancellor, Community College
system of New Hampshire

Introduction

There has been significant mention in research and policy discussions of “Two New Hampshire.” (Barrick, Delay, & Norton, 2012; Loder, 2012) Indeed, many characteristics of the rural and mountainous north and west differ significantly from the more urban and populous counties in southeastern NH. The latter are economically and officially linked (by the US Census Bureau) to the Boston Metropolitan area because of proximity to Boston, shared labor market, and industry connections and clusters. The data presented here portray two NHs and are important for the Community College System of New Hampshire and other entities that operate across the state. The data highlight the importance of taking different approaches to higher education and economic development in rural and metro NH, and suggest that by doing this we can have a more economically competitive and prosperous state.



The Two New Hampshire

Definition: Rural and Metro NH

Boston Metro Counties - Rockingham, Hillsborough, Strafford, Merrimack

Rural Counties - Cheshire, Sullivan, Belknap, Carroll, Grafton, Coos

Following the highways from Boston, the NH metro counties include the Route 3 and I-93 cities and suburbs of Nashua, Manchester and Concord and the I-95 Seacoast cities of Portsmouth, Exeter, Dover and Rochester and their surrounding towns.

Table 1: Two NHs Summary Statistics

	Total NH	Rural NH	Metro NH	US Average	Top State	Bottom State
Per Capita Income	\$32,357	\$28,070	\$33,926	\$27,339	\$37,627 (CT)	\$ 20,521 (MS)
Associate +%	45.8%	38.3%	46.8%	38.7%	50.8% (MA)	27.8% (WV)
Bachelor's %	33.1%	29.5%	34.5%	27.5%	38.7% (MA)	17.6% (WV)
Poverty Rate	8.0%	10.1%	7.2%	13.8%	8.0% (NH)	21.6% (MS)
% over age 65	14.7%	18.1%	13.4%	14.0%	18.2% (FL)	8.5% (AL)
% age 25-44	24.3%	23.0%	25.2%	25.7%	28.4% (CO)	23.5% (ME)

Population

A defining characterization of metropolitan areas is larger populations per square mile. In 2010, the four "metro" counties in New Hampshire contained three-quarters of the State's resident population, while only containing one-third (32%) of the state's total land area. The population density in metro New Hampshire is 338 residents per square mile, while rural New Hampshire has 1/6th of that population density, or 57 residents per square mile. (See Table 2)

Table 2: Population and Land Area for Rural and Urban NH
(Source: US Census)

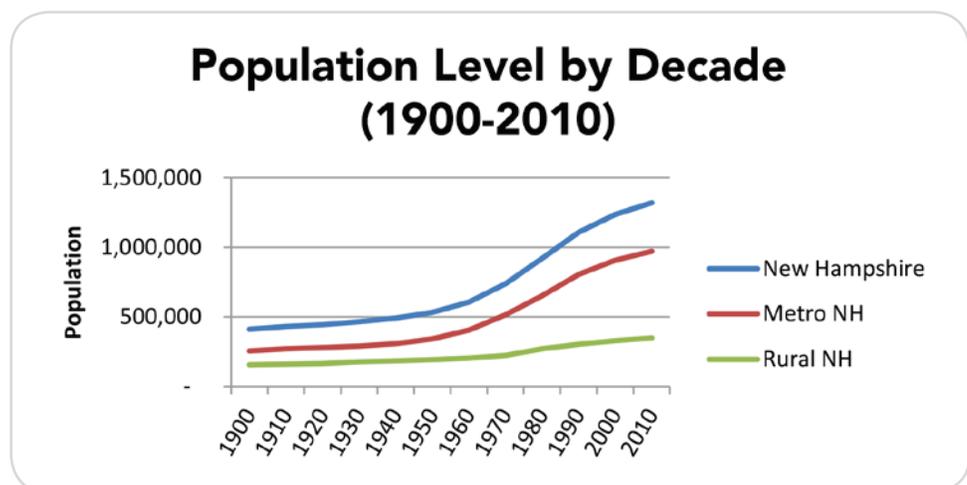
	Total NH	Rural NH	Metro NH	Most Urban: California	Least Urban: Maine
Population	1,320,718	349,096	971,622		
% Population	100.0%	26.4%	73.6%	94.9%	38.7%
Land Area (Sq. Miles)	8,953	6,079	2,874		
% NH Land Area	100.0%	67.9%	32.1%		
People per Sq. Mile	148	57	338	236	43

NH metro areas accounted for 80% of the population increase between 1950 and 2010.

Beginning in the 1960's, New Hampshire began to experience significant population increase, with population growing about 150% between 1950 and 2010. The increase in population was driven by an increase in population of NH metro areas, alone accounting for 80% of the population increase between 1950 and 2010 (See Figure 1). Population percentage growth above 10% began as early as 1950 for NH metro counties and continued through 2000. Much of this growth was from young families moving to the Granite State from neighboring and nearby states such as Massachusetts, Connecticut, New York, New Jersey and Pennsylvania.

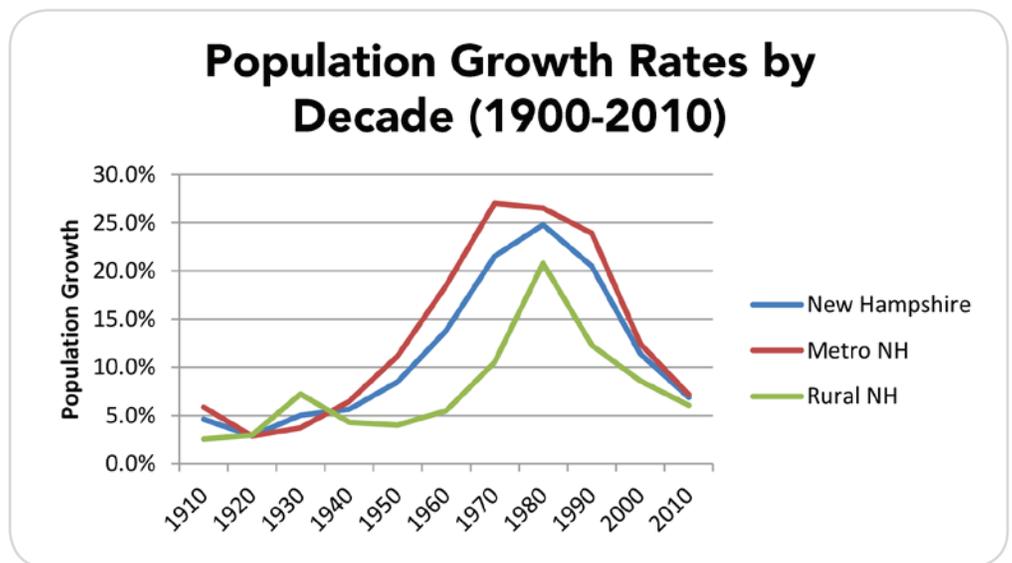
Of significance since 2000, metro and rural counties have been experiencing a convergence of population growth at around 6.5% (See Figure 2). This reflects cost pressures and saturation in some NH metro areas and movement of some growth that was in urban NH now spreading to some rural areas. Probably more importantly, it also reflects a slowing down of domestic in-migration from other US states to metro NH, particularly after the Great Recession which lowered migration rates nationally as families were constrained financially and locked into existing homes and mortgages (many of which were "underwater," with mortgage outstanding greater than the market value of the home).

Figure 1: New Hampshire Population by Decade (Source: US Census)



Rural NH has a much higher percentage of older adults than metro NH.

Figure 2: New Hampshire Population Growth by Decade



Age, Education, and Income

The rural and metro New Hampshire do not differ only by geography and population growth and density, but also by other important characteristics. Metro counties are younger, possess higher levels of educational attainment, and have higher personal income than their rural counterparts.

Age

It is often conveyed that NH has a demographic problem with an aging population. (Barrick, Delay, & Norton, 2012; Briand, 2013) The state wide figures, however, mask important differences between rural and metro areas of NH. Of particular note, is that rural NH, but not metro NH, has a very high percentage of older adults.



Table 1 provides an overview of the differences in age composition between rural and metro New Hampshire. The NH metro counties have a younger population than rural counties. Most significantly, if rural New Hampshire were a separate state it would have the lowest percentage of residents who are ages 25-44 among US states, while NH metro counties would rank among the median US states on this same measure. Even so, metro NH would have well below the three New England southern state percentages of population 25 to 44 (see Figure 3). This means that all of NH, but particularly rural NH, has to be concerned about the low percentages of young adults. This population is the entry level workforce critical for many businesses. This is the workforce that businesses rely on for many jobs, including jobs requiring middle and high skills and the latest technical training. Both rural and metro area NH have to focus on ensuring “native” young people stay and achieve high levels of education and skill development, and both rural and metro NH have to develop strategies to attract more young adults, for example recent graduates of colleges and universities not only from NH institutions but also from larger population areas including from Massachusetts and upstate New York.



The most pronounced rural to metro population difference is among the oldest population group. Rural New Hampshire as a separate state would have the second highest percentage of residents over 65 years old (only behind Florida), while metro New Hampshire would be in the bottom third of US states.

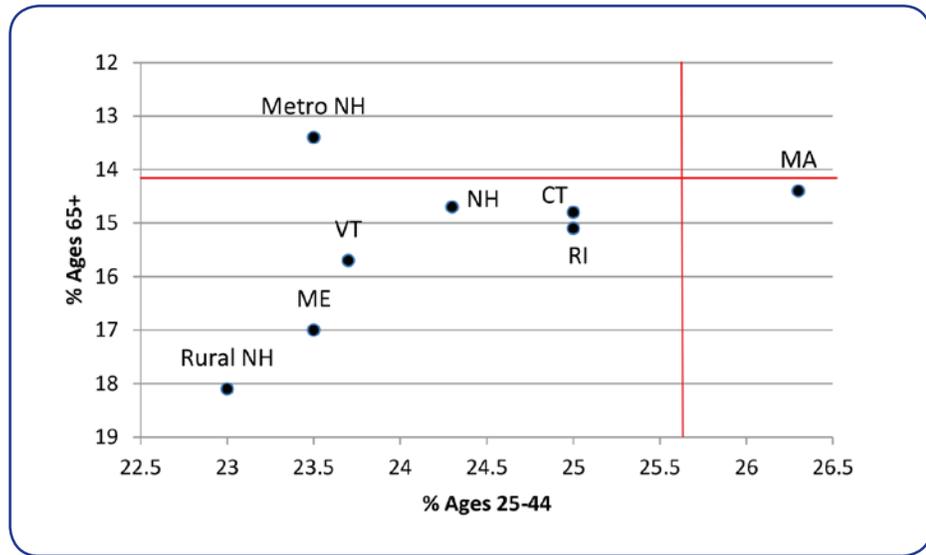
Table 3: Age and Ranking among the 50 US States, Rural, and Metro NH Counties¹

	Total NH	Rural NH	Metro NH	Top State	Bottom State
% 25-44	24.3%	23.0%	25.2%	28.4% (CO)	23.5 (ME)
% 25-44 Rank	48	52	34	1	50
% over 65	14.7%	18.1%	13.4%	8.5% (AK)	18.5% (FL)
% over 65 Rank	17	2	38	1	50

¹Rankings include 2 NHs as states so total number ranked are 50 states plus two or 52.

Both rural and metro NH rank above the US median for different levels of higher education.

Figure 3: Comparison of Age Profiles across New England States²



Rural and metro New Hampshire counties also differ significantly by levels of education. Residents of metro NH are more highly educated than rural NH, although both NHs would as separate states rank at or above the US median for different levels of higher education (see Table 1). Metro New Hampshire would rank third, only behind Massachusetts and Colorado, for percentage of population with an associate degree or higher and would rank sixth overall for percentage of population with a bachelor's degree or higher (only behind Massachusetts, Colorado, Maryland, Connecticut, and New Jersey).



² Red line notes US median values.

Rural New Hampshire, although less educated than metro NH, would be above the median in the percentage of adults with bachelor's degree or higher and below the median in percentage of adults with associate degree or higher. Specifically, rural New Hampshire would rank 27th among the 50 states in percentage of population with an associate degree or higher, and rank 19th overall in population with a bachelor's degree or higher. This indicates the benefit of focusing education efforts in rural NH on associate degree (community college) education to raise the educational level of rural residents and skill level of the workforce. This is particularly relevant given that many of the residents in rural NH with a bachelor's degree are over 65 and at or near retirement. A focus in rural NH on associate degree education can enable an affordable pathway to higher educational attainment (associate and also then on to bachelor's) and to a skilled workforce. And given recent studies showing that graduates with associate degrees in particular fields earn average salaries that are higher than for those graduates with bachelor's degrees, the value of associate degree education is even more evident.

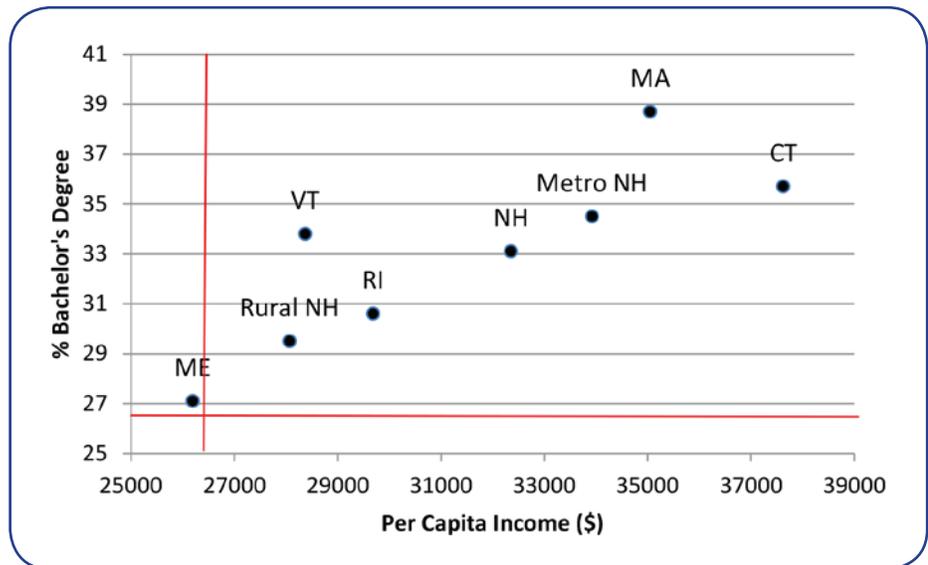
Overall the metro and rural NH rankings affirm overall New Hampshire's current strong educational base, ranking 7th and 9th respectively in percentage of residents with an associate or bachelor's degree or higher. Figure 4 shows how metro NH ranks close to two leading states in the nation, MA and CT, in educational attainment and per capita income and significantly better than rural NH and other northern New England states.

Table 4: Education Levels and Ranking among the 50 US States, Rural, and Metro NH Counties

	Total NH	Rural NH	Metro NH	Top State	Bottom State
Assoc+ %	45.8%	38.3%	46.8%	50.8% (MA)	27.8% (WV)
Assoc+ % Rank	7	28	3	1	50
Bach %	33.1%	29.5%	34.5%	38.7% (MA)	17.6% (WV)
Bach % Rank	9	19	6	1	50

Metro NH has about \$6,000 higher per capita income than rural NH

Figure 4: Income and Educational Attainment Profiles across New England States



Correlated strongly to educational attainment is income. There are again significant differences between rural and urban New Hampshire when considering per capita income (See Figure 4). Metro New Hampshire has about \$6,000 higher per capita income than rural NH. As a separate state, metro New Hampshire would rank 5th among all US states in per

capita income, only trailing Connecticut, Maryland, New Jersey, and Massachusetts (each of which also lead metro NH in education levels) and 1st among all 50 US states with the lowest poverty rate (7.2%). Rural New Hampshire as a separate state would rank 20th in per capita income and 7th in poverty (See Table 5).

Table 5: Income and Poverty Levels and Ranking among the 50 US States, Rural, and Metro NH Counties

	Total NH	Rural NH	Metro NH	Top State	Bottom State
PC Income	\$ 32,357	\$ 28,070	\$ 33,926	\$ 37,627 (CT)	\$ 20,521 (MS)
PC Income Rank	7	20	5	1	50
Poverty Rate	8.0%	10.1%	7.2%	8.0% (NH)	21.6% (MS)
Poverty Rate Rank	2	7	1	1	50

Summary

The statistics presented above portray two New Hampshires, with important differences between rural and urban New Hampshire. The data suggests that different approaches to economic development and education would be appropriate in rural and metro NH. In rural NH, for example, the data suggests that for sustaining economic vitality something has to be done very soon at the intersection of educational attainment and demographic profiles. A focus on local area youth, and setting them on pathways for educational success through college and then to placement with area industry is important, as every young person is a highly relevant labor market/economic resource in short supply in rural NH. The young adult population is also an area of concern in metro NH, but from a different perspective as there is not a crisis situation (yet) - instead metro NH can develop and implement strategies (see below) as aging baby boomers move towards retirement.

Important in both rural and metro NH is attracting and retaining young families. Highlighting lifestyle and recreational amenities could be an effective strategy in rural NH, as well as using investments and upgrades in educational resources and institutions as magnets. In metro NH, proximity to Boston and urban amenities could be used as magnets to retain more NH college graduates and to attract recent graduates from Boston area colleges and NY colleges interested in a more urban environment (yet one with easy access to recreational locales). Part of this strategy could be enhancements to NH cities and town urban amenities including more urban style apartment and rental housing and public transportation.

In all of New Hampshire, education and pathways through higher education and to careers in NH are critical. With a younger population that is more highly educated, particularly in the skilled trades and digital and information technology, the state will be much better positioned to retain and attract high-tech innovating firms and fast growing firms, and this in turn will make it easier to retain and attract in young workers.

In metro NH this will require building on a strong base with a focus on strengthening economic connections to educational institutions at all levels, and improving to a top 3 to 5 ranking (if it were a state) nationally on the variables profiled here. It would be beneficial if rural NH focused on upgrading its existing educational institutions, including community colleges, as accessible pathways to educational and economic success. A part of this strategy should be improved educational alignment with industries that have strong rural county future prospects, such as advanced manufacturing, outdoor recreation, leisure and hospitality, and energy and environmental products and services.

The rural counties are in danger of falling further behind the metro counties in educational attainment and its correlates of economic development and per capita income. Five of the six rural counties (all except Coos) have below the NH state average matriculation rates of high school graduates to college. Statewide, approximately 2/3rds of high school graduates enroll in college in the year after graduation. Sullivan, Cheshire and Carroll Counties all have below 60% matriculation to post-secondary among high school graduates, while in contrast Rockingham County has over 71%. Focused efforts will be needed to create stronger pathways to post-secondary education in rural NH, with community colleges being an affordable and accessible option for local residents, traditional aged and also older learners seeking to advance their skill level and education. Enhancing affordability however, as well as outreach to students in middle school and high school and to their parents, and to older adults will be necessary. And, given the low population density of rural NH, postsecondary opportunities that are not place-bound, such as online offerings and mobile delivery of curriculum, will be important – innovations for NH's community colleges to continue and build on.

References

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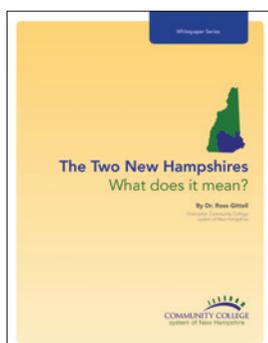
About the Author



Dr. Ross Gittell was appointed Chancellor of the Community College System of NH on February 1, 2012.

Dr. Ross Gittell is well-known in economic and policy circles as a foremost authority in New Hampshire for economic analysis and forecasting. With an extensive background in university teaching, strategic planning and management, Gittell's focus has been on applying economic, organizational and management theory to regional, state and community economic development issues. For many years, as a distinguished Professor at

the University of New Hampshire's Whittemore School of Business and Economics, Gittell has frequently been a resource for government, non-profit and business decision makers in New Hampshire and nationally on such issues as economic policy, workforce development, job creation strategies, community development and the business climate.



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