

INDIANA BUSINESS REVIEW UPDATE

A MONTHLY OVERVIEW OF ECONOMIC TRENDS
 INDIANA BUSINESS RESEARCH CENTER
 INDIANA UNIVERSITY
 KELLEY SCHOOL OF BUSINESS

URBAN SPRAWL CONTINUES

Between 1990 and 1998, 68.1% of Indiana's population growth occurred in rural areas. While the state added 355,000 persons (a 6.4% increase), the cities and towns of Indiana grew by 113,300 (3.2%) and the rural areas by 241,700 (12.3%). Where the rural areas represented 35.4% of the state in 1990, that share rose to 37.4% by 1998.

The distinction between urban and rural is never clear. As used here, the urban population means people living in cities and towns. Rural is all other residential areas. Marion County is entirely urban according to this definition, even though many persons live in less densely settled areas than those who reside in some of the unincorporated places of the state.

Brown County is the most rural county in Indiana, with 94% of its population living outside any city or town. But many residents of Brown County work, shop, worship, and play in urban Indianapolis, Columbus, and Bloomington. The same observation may be made for Lagrange, Harrison, Owen, and Switzerland counties, which all top 80% rural (see figure 1).

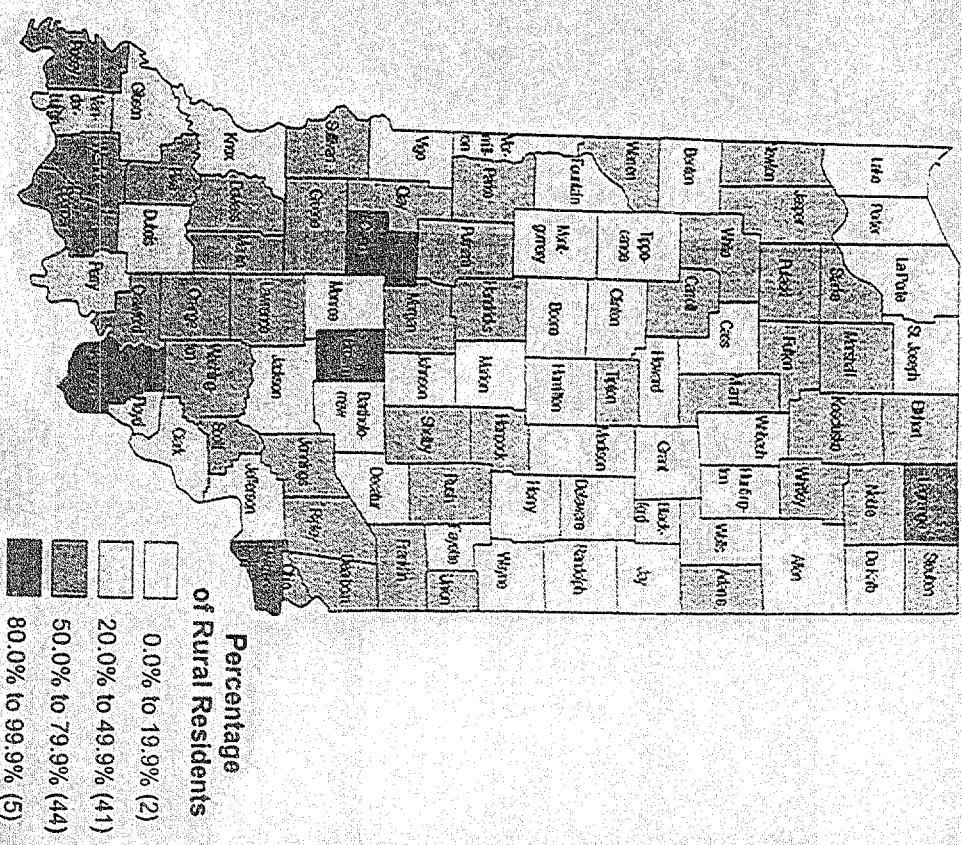
Indiana had 49 counties with 50% or more of their residents living in rural areas in 1998. Only two counties had less than 20% rural population (Marion at 0% and Lake at 8.4%).

As noted above, 68.1% of the state's growth was in rural areas. There were 72 counties, however, with 50% or more of their growth in rural areas. In 24 of those counties, rural growth offset urban decline, while in 48 counties rural growth exceeded urban growth (see figure 2).

In only ten counties did the growth of urban areas exceed rural additions to the population. Marion County with no rural areas naturally showed no change in rural population, although it had a growth of more than 16,200 in its urban population.

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Figure 1. Rural percent of population, Indiana counties, 1998



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