MINNESOTA RURAL ENTREPRENEURSHIP ACADEMY

Statement of Consensus and Recommendations
October 2000
Rural Entrepreneurship Initiative
FactSheet

Initiative Purpose

The Rural Entrepreneurship Initiative has three desired outcomes:

#1 Strengthen Rural America through Entrepreneurship;
#2 Assist at least three states evolve a stronger environment for supporting rural entrepreneurship; and
#3 Create and support a national learning community on rural entrepreneurship.

Partners

The Rural Entrepreneurship Initiative is made possible through the following unique partnership:

Ewing Marion Kauffman Foundation of Kansas City
Partners for Rural America, Inc.
National Rural Development Partnership
Nebraska Community Foundation, Inc.

Discovery States

Four states were selected in 2000 to be Rural Entrepreneurship Initiative Discovery States:

Maine *** Minnesota
Missouri *** West Virginia

The Maine Rural Development Council, Minnesota Rural Partners, Missouri Rural Opportunities Council and the West Virginia Rural Development Council are core partners in this Initiative. These Discovery States are participating in a modified National Governors Association type policy academy process. Through this process a number of instate outcomes are being pursued including: Greater awareness of the rural entrepreneurship opportunity; Development of state specific policy and program recommendations; and the creation of a rural constituency supportive of entrepreneurial development.

Learning Community

Over 100 other individuals, organizations and interests belong to the Rural Entrepreneurship Learning Community. Information is being shared throughout the life of the Initiative regarding the progress in the four Discovery States as well in other areas pursuing “e” strategies. For example, in Kentucky, the State Legislature has set aside tobacco settlement revenues to support a rural “e” strategy for Kentucky tobacco farmers.

For More Information & Questions

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Executive Summary

The Minnesota Rural Entrepreneurship Academy (Academy), a group of entrepreneurs and public sector representatives charged with identifying challenges to rural entrepreneurs and discussing potential solutions, has developed the following set of recommendations. The group’s results have been split into four top-tier priorities: capital, technical assistance, physical infrastructure, and culture & education.

The Academy’s discussion on capital has focused primarily on three critical “ladder” stages of an entrepreneur, and how assistance needs differ at each stage. The Academy recommends the following to the State and its partners in developing more rural entrepreneurship opportunities:

- Define a ladder of stages for entrepreneurs and small businesses, so that State policy and public-private partnerships can focus assistance more effectively.
- Examine the Northeast Entrepreneur Fund and similar models to design investment assistance for micro-enterprises and entrepreneurs.
- Examine the Rural Angel Investor Network, regional “do good” groups such as Northeast Fund, and similar models to design investment assistance for seed and sprout-stage entrepreneurs.
- Examine the Crocus Fund and similar models to design investment assistance for venture-stage firms.
- Give strong preference to state initiatives that reduce the role of the State in implementation and increase its role as an active catalyst.
- Consider targeting programs and initiatives to those areas in Greater Minnesota that are able and willing to perform self-assessments and create strategic plans for their entrepreneurial development.
- Improve the information flows between and among entrepreneurs and their funding sources by establishing appropriate databases, associations, and/or education opportunities.
- Examine state regulations regarding commercial trade, capital access, and environmental concerns to determine if there are any unnecessary blocks to entrepreneurial activity; and encourage local governments to do the same.
- Develop a specified tax-relief program for very early entrepreneurs that would allow them to shift tax dollars into debt reduction.
- Remove or lower the sales tax on business equipment, replacing the current complicated rebate program.

The Academy sees technical assistance as a critical first step for two different sets of clients: entrepreneurs, and the communities that hope to encourage them. The Academy recommends that the State and its partners:

- Reinforce the availability and usefulness of community assessment services, particularly the Business Retention and Expansion program offered by the University of Minnesota’s Extension Service.
- Conduct a comprehensive inventory of the business, technology, information technology, and other technical assistance services currently available to small businesses and entrepreneurs.
- Establish a technical assistance network, along the lines of that existing in the Kansas City community, which encompasses those organizations and services in a mutually beneficial system, that simplifies the process for the entrepreneur. This network will require a funded, coordinating body.
Physical infrastructure is a natural area for State policy intervention, and the Academy recognizes that many different constituencies and groups are already pressing this issue. We highly recommend the following action steps, as excerpted from the Center for Rural Policy and Development’s Final Report and Recommendations for the Minnesota Rural Telecommunications Policy Panel:

- The state should define a standard level of service and the necessary standards for providing high-speed, broadband service.
- The state should create a board immediately to identify hard-to-serve areas of the state and develop a strategy to address the needs of those areas.
- Create incentives, including a state Universal Service Fund, and remove barriers for telecommunications companies that want to build infrastructure and provide services in rural communities.
- Barriers to competition should be eliminated throughout the state.
- The state should not inhibit the integration of public and private uses along the same transmission lines.
- [The state and others should] encourage local leadership to have a long-term, proactive attitude toward telecommunications development.

Culture and education are two intertwining areas; the former is difficult for the State to impact, while the latter is easier. Both require vision and leadership at the local level. The Academy recommends the following:

- Research the curriculum models at the University of St. Thomas and elsewhere for examples of educational programs that emphasize entrepreneurial skills, and integrate those models into rural community technical assistance efforts.
- Support the State Graduation Rule, particularly its project-based learning elements, and its implicit support of partnerships with “real-world” players such as businesses, non-profits, and other local economic players. Entrepreneurial internship programs (like one sponsored by the Kauffman foundation in Duluth) may be valuable models.
- Conduct a concerted public educational campaign that reinforces the benefits of entrepreneurship and recognizes that achievement in Rural Minnesota.
- Investigate models for pooling economic resources and planning among regions to create larger economies of scale.
- Identify new opportunities that the aging of America presents to the culture of Greater Minnesota, and adjust technical assistance programs appropriately.
- Target immigrants and other ethnic communities with educational and technical assistance opportunities, and record their experiences by integrating the experiences and lessons learned with America’s and Minnesota’s changing entrepreneurial culture.
- Conduct a specific campaign in Native American enclaves across Minnesota to actively seek their input on how a more entrepreneurial culture can be developed and integrated into their communities.

Background: Goals, Process, and Definitions
The goal of this Academy has been to identify policies and initiatives that can help revitalize economic development in Greater Minnesota through entrepreneurship programs. While state and local governments will be in the best position to initiate the implementation of many of the Academy’s recommendations, much of the work will require commitment and follow-through from all sectors, including local governments, private, nonprofit, education, and others.
This Academy consisted of equal representation by entrepreneurs and public/non-profit sector organizations working with entrepreneurs. Discussions were facilitated, and perspectives recorded and synthesized, by the Kauffman Foundation staff. During August and September meetings, the Academy’s work has formed the starting point of discussion for the Governor’s imminent Minnesota Entrepreneurs Academy, funded jointly by the Kauffman Foundation, and the National Governors Association. Since the Governor’s Academy will be more focused on developing state policy, efforts not to lose the Rural Academy’s work focused in other directions, will be important.

Rural entrepreneurship is an economic development tool gaining increasing attention from many rural leaders, agencies, and organizations. We direct interested parties not only to our own findings, but recent policy studies conducted by Minnesota Planning, the Minnesota Department of Trade and Economic Development, and others.

For the purposes of this report, we define “entrepreneur” as “an individual who has created economic value by starting a small business venture.” Of course, these small ventures may grow over time; and we see the distinction between “entrepreneur” and “small business owner” as defined in Minnesota as increasingly moot. The issues identified and recommendations presented in this report are more likely to focus on the earlier stages of entrepreneurship, as well as those critical growth points where entrepreneurs may need assistance or guidance in establishing themselves more financially secure.

Issue Identification
A great deal of conversation and discussion led the group to identify four areas where entrepreneurs in Greater Minnesota may be facing significant challenges:

- Capital;
- Technical Assistance; and
- Infrastructure;
- Culture and Education.

The following synthesis defines each area, and provides the Rural Academy’s recommendations for public policymakers and their multi-sectional partners.

Capital
The one area that generated the most discussion within the group was financial infrastructure, particularly the concern of access to capital.

The basic problem in Greater Minnesota is an overall lack of capital to provide growth from the “microenterprise” stage to “venture” stage. Banks choose to follow relatively conservative rules for financing, and “angel” investors in the rural areas are scarce. Current venture capitalists, based mainly in the Twin Cities metro area, have plenty of opportunities in local urban and suburban communities—and, at times, outside of Minnesota — that they may consider a lower risk for their investment.

Some may interpret this scarce capital as a market failure, thus requiring state policy attention (i.e., a “leveling of the playing field”). But the Academy recognizes that government intervention in the financing of business ventures must be conducted vary carefully, if it is attempted at all. Entrepreneurial endeavors are notoriously high-risk, and it is somewhat limited as to what entrepreneurs can reasonably ask of taxpayer support. Even on a leveled playing field, there will be losers.
Recommendations for Capital

The group identified a “ladder” of stages that firms normally go through when young, and which specific capital resources are needed at each stage or “rung”. The first rung, Microenterprise represents businesses with less than five employees and financially deal in amounts of hundreds, or perhaps thousands, of dollars. A local model, similar to the publicly supported but independent Northeast Entrepreneur Fund, Inc. of Virginia, MN, can help these small businesses make smart, critical first investments particularly in the areas productivity and planning.

The second rung, Seed and Sprout, represents those businesses that are searching for capital to assist with obtaining or upgrading equipment and other expenses, usually in the tens-of-thousands to a few-hundred-thousand dollar range. For Seed and Sprout businesses, the best currently available in Rural Minnesota is a system styled after the Rural Angel Investor Network (RAIN). The RAIN concept pools the risk among a group of private investors. These investors need better information about local investment opportunities. In addition, they may need some form of State and/or Local tax incentives for them to view enterprises located in rural areas as equal in potential rates of return equal to those in urban environments.

Another potential boost for seed and sprout stage ventures can come from an Equity Investment Credit similar to that enacted in 1983 and sunset in 1985. (See HF 696 authored by then Rep. Steve Kelly, mirrored in Senate by Sen. Larry Pogemiller.) This credit legislation was not strongly promoted at the time due to “underfunding” concerns. Targeted for rural areas and providing a reasonable ceiling for funding, there is now an excellent opportunity to reintroduce new legislation for Equity Investment Credits.

On the third rung are Ventures, those enterprises looking to undertake a substantial expansion through investments of millions of dollars. For these firms, the Academy recommends taking a studied look at the Crocus Fund, currently in use in Manitoba, Canada. This Fund allows citizens and businesses to reinvest tax credits via a special investment fund that in turn, supports local entrepreneurs. To date, the fund currently holds $134 million in assets, $90 million of which is invested across 40 small to mid-sized companies. A similar type fund that focuses on rural-based enterprises across Minnesota may encourage similarly strong activity and growth.

On all three of these rungs, the State role is not necessarily front-and-center as much as it is a key catalyst. The State can provide great support by serving as a facilitator, the funding of an independent, dedicated rural-based investment organization, and/or guarantor of associated investment funds.

It may be necessary to target programs or incentives that use the above “ladder” concept toward particular, specific geographic areas across Greater Minnesota. Regions that are capable of putting together a community assessment and strategic plan (see technical assistance below), and/or have already began encouraging entrepreneurship in their area, have a greater chance of producing profitable entrepreneurs. It makes sense to start any effort that entails public dollars in those regions that present slightly lower risk.

Beyond the ladder and its specific funds and incentives, the group found consensus in the notion of improving the information flows between and among entrepreneurs, funding sources, and the public. Examples of initiatives here might be databases of potential investors and/or entrepreneurs and the creation of an association for rural investors. Specific “bus trips” or “tours” of urban venture capitalists into the State’s rural areas should be available so they can see first hand the possibilities for investment, provide for better information flows around local Revolving Loan Funds and similar mechanisms.
Very pointed policy directions were centered on removing the “red tape” that drains entrepreneurs’ time and energy, by providing a one-stop shopping system, similar to the State’s WorkForce Centers, in place. While some Academy members have referred to broad environmental or zoning concerns, there are few specific suggestions so far in this area. It appears that much of the challenge here may be present in local statutes and barriers; this topic recurs in the section on education and culture below.

Finally, while not directly related to capital, there are at least two current state tax policies that bear reexamination because of their direct impact on investments that make capital access possible. First, many entrepreneurs find themselves struggling under the burden of both: high, early-stage debt and considerable tax assessment. Qualified entrepreneurs (e.g., those in the first two years of their enterprise, who have made a reasonable level of investment, and are at a certain level of pre-tax profits), to redirect part or all of their tax burden toward debt reduction. This would increase investment and substantially raise the probability that an early-stage entrepreneur will become a late-stage one.

Second, entrepreneurs in the Academy described the sales tax rebate on business equipment as unnecessarily convoluted. If the state values private investment in business equipment, it should remove or lower the sales tax on such equipment.

Specifically, the Academy’s recommendations on capital are:

- Define a ladder of stages for entrepreneurs and small businesses, so that State policy and public-private partnerships can focus assistance more effectively.
- Examine the Northeast Entrepreneur Fund and similar models to design investment assistance for micro-enterprises and entrepreneurs.
- Examine the Rural Angel Investor Network, regional “do good” groups such as Northeast Fund, and similar models to design investment assistance for seed and sprout-stage entrepreneurs.
- Examine the Crocus Fund and similar models to design investment assistance for venture-stage firms.
- Give strong preference to state initiatives that reduce the role of the State in implementation and increase its role as an active catalyst.
- Consider targeting programs and initiatives to those areas in Greater Minnesota that are able and willing to perform self-assessments and create strategic plans for their entrepreneurial development.
- Improve the information flows between and among entrepreneurs and their funding sources by establishing appropriate databases, associations, and/or education opportunities.
- Examine state regulations regarding commercial trade, capital access, and environmental concerns to determine if there are any unnecessary blocks to entrepreneurial activity; and encourage local governments to do the same.
- Develop a specified tax-relief program for very early entrepreneurs that would allow them to shift tax dollars into debt reduction.
- Remove or lower the sales tax on business equipment, replacing the current complicated rebate program.

Technical Assistance

As the Academy has implicitly defined the term at two levels: (1) helping the community understand and develop an entrepreneurial culture and (2) helping entrepreneurs help themselves.
More so than in urban or suburban areas, rural entrepreneurs historically have not had access to the kind of networks, peer mentoring, information systems, and other mechanisms most successful entrepreneurs use to survive the first few critical years. While organizations such as, Minnesota Technology, Inc., the Agricultural Utilization Research Institute, the Initiative Foundations, the Regional Development Commissions and other organizations target financial and other services in Minnesota’s rural areas, there does not seem to be a similar, committed focus to nurture entrepreneurs. Especially with industries that are on the cutting-edge, the lack of support and insight from other entrepreneurs who have either faced or are facing similar challenges puts rural entrepreneurs at a distinct disadvantage. If we want businesses to grow in Greater Minnesota, all stakeholders must do more to assure the same information and learning opportunities for entrepreneurs statewide.

Recommendations for Technical Assistance

The technical assistance “nail” hit hardest by the Rural Entrepreneurship Academy has been the idea of assessment and strategic planning, at a community level. Put simply, no community has a chance of consistently growing entrepreneurs if it does not determine and encourage what is best for the community. Technical assistance for the entrepreneur starts at this level: what are the community’s strengths and weaknesses? Where do the different stakeholders see the area’s competitive advantage? What does the community offer that few (or no) other area does? There must be a well-defined role for the availability of state and regional elements to help local communities perform this kind of assessment.

This type of assessment is analogous to what the University of Minnesota Extension Service provides through their Business Retention & Expansion program. The BR&E program demonstrates and encourages local support for businesses, seeks to make those businesses more competitive by addressing key needs and concerns, and helps the community establish an economic development plan together with a broad-based community coalition, to sustain long term economic development efforts. However, they do not focus on entrepreneurs.

Whether we encourage this specific University of Minnesota model or not, strategic planning and evaluation are key follow-up activities to assessment. State and regional agencies should be able to share best practice models for such planning and evaluation, and bring community leaders together for peer learning opportunities.

The second style of assessment is for an individual entrepreneur. Organizations as diverse as Minnesota Technology, Inc., the Small Business Development Centers, SCORE, and several others are all available on an independent basis. A possible role for the State, as previously presented in capital funding above, would be to serve as a catalyst for creating a system that helped these organizations network more effectively for the entrepreneur.

For example, in and around Kansas City, dozens of non-profits, government agencies, and private service providers all cooperate in a semi-formal network providing entrepreneurial services. This network operates by the principle of “no wrong door”: if an entrepreneur calls up one organization and it does not provide the correct service, that first network contact does not simply give out a new contact. Rather the first contact tracks the referral himself and provides the entrepreneur with a second, more appropriate contact. The program is an excellent case-management styled approach that assures the entrepreneur that he/she is not slipping through the cracks. It is vitally important that all members of the network agree to actively participate, as each gains through the others’ referrals.
The system, to work effectively, would need to ensure that all the following services were participating:

- capital access
- legal
- marketing
- accounting/financial
- business planning
- access to mentors/network

There must be a **regional coordinating body** for such a system. A central organization would assist those rural regions that needed intermediary resources located in other regions. The State should fund this coordinating body.

Intermediary resources could differ from region to region. One example of how an intermediary resource might be identified can be found in the emerging plan of the Minnesota High Tech Association. Its Entrepreneurial Initiative, launched this summer, is seeking to create a better infrastructure support system for high tech entrepreneurs statewide. It will include online tools for identifying resources, whether urban or rural, and will provide a method of narrowing down lists of resources to those precise “best” tools that are most applicable to a specific entrepreneur. The online system will be complemented by statewide networking events that bring together emerging and established companies, higher education and research institutions, the financial community, and other professional service providers.

In summary, our recommendations for technical assistance are:

- Reinforce the availability and usefulness of community assessment services, particularly the Business Retention and Expansion program offered by the University of Minnesota’s Extension Service.
- Conduct a comprehensive inventory of the business, technology, information technology, and other technical assistance services currently available to small businesses and entrepreneurs.
- Establish a technical assistance network, along the lines of that existing in the Kansas City community, which encompasses those organizations and services in a mutually beneficial system, that simplifies the process for the entrepreneur. This network will require a funded, coordinating body.

**Infrastructure**

There is broad consensus within the Academy that government plays a natural role in supporting entrepreneurs, through the most basic of public sector duties: creating and maintaining infrastructure. The Academy’s definition of infrastructure for this study is primarily physical—that is, the roads, airports, telecommunications, and other essential elements necessary for transport, energy, and communication. (Less physical types of infrastructure, like education, are dealt with elsewhere in the report.)

Telecommunications are especially important for rural entrepreneurs—and rural economies—because the relative isolation of many Greater Minnesota communities presents both a challenge and a unique opportunity. A small enterprise, functioning in today’s economy, can locate itself anywhere and use modern technology to attend to customers’ needs. It may also be able to lower operating costs and attract more workers as it locates in an area considered to have a high “quality of life”. The more small enterprises that choose or remain in Greater Minnesota, the more opportunities these rural communities will have to offset the wrenching changes that continue to occur in the agricultural and related sectors.
**Recommendations on Infrastructure**

Our primary concern as a group has been the state of telecommunications in Greater Minnesota. All of our recommendations fall into this category. In fact, the Academy endorses the Center for Rural Policy and Development’s Final Report and Recommendations of the Minnesota Rural Telecommunications Policy Panel. In particular, we support the following measures (sourced directly from the document):

- The state should define a standard level of service and the necessary standards for providing high-speed, broadband service.
- The state should create a board immediately to identify hard-to-serve areas of the state and develop a strategy to address the needs of those areas.
- Create incentives, including a state Universal Service Fund, and remove barriers for telecommunications companies that want to build infrastructure and provide services in rural communities.
- Barriers to competition should be eliminated throughout the state.
- The state should not inhibit the integration of public and private uses along the same transmission lines.
- [The state and others should] encourage local leadership to have a long-term, proactive attitude toward telecommunications development.

**Culture and Education**

The final and least tangible areas are education and culture—that is, what people know about and react to how entrepreneurs succeed.

While these two areas may seem separate, in fact they are rather dependent upon one another. Education systems reflect the values and priorities that each local community values. If the entrepreneurial spirit is not identified or valued in a local culture, entrepreneurial skills will not be valued, nor taught to a new generation. Therefore, if our culture and education are to foster the entrepreneurial spirit, they require leadership on a local community level — including politicians, community and business leaders, and citizens who value what entrepreneurs bring to the economy and society.

**Education**

Education systems statewide, in fact nationwide, are well versed (and perhaps weary of) the multitude of criticisms leveled at them. That does not make the criticisms any less valid. Many businesspeople in Minnesota would submit that the State’s public education system, while doing its best with limited resources, is not keeping up with the economic and technological changes in the 21st century economy. One area identified where skills are considered lacking is in starting and growing a new business.

**Recommendations for Education**

There are many ways to pose these recommendations, all very difficult as they require changes in state or local curriculums that must be designed, tested, vetted, and implemented carefully. Greater emphasis on creative thinking, basic skills, finances, and economics would provide a sounder foundation for potential entrepreneurs. The University of St. Thomas has a “Fast Track” model of industry-education partnership that may be replicable at other institutions of higher education. This program should eventually become available to rural areas lacking immediate access to those institutions via the Internet or a similar educational network.
While the *State Graduation Rule* is being reexamined for a variety of reasons, its emphasis on demonstrating knowledge clearly and in measurable ways, along with its easy fit with project-based learning, does, in fact, emphasize critical entrepreneurial skills. Many established youth entrepreneurship initiatives across the country use *project-based learning techniques*, which experts on the Rule advocate for assessment. In addition, there are several programs statewide that match youths with *mentors* who help them achieve specific educational goals and foster dreams and ideas about future possibilities. National research indicates that both project-based learning and mentor programs are far more effective when done in the context of strong *industry-education partnerships*, preferably at the local level.

The Academy has discussed additional thoughts on education reform, including new teacher education, train-the-trainer models for veteran teachers, and school-to-career transition programs. However, as a group we did not feel comfortable pursuing recommendations in this field. We would hope that future discussions on the role of K-12 education in entrepreneurship *include proper representation from that community*.

**Culture**

Culture, unlike education, is not a formal government responsibility. But culture changes as people learn more about a topic, trend, or way of life. Currently, many communities are wary of entrepreneurs because they may provoke (perceived) environmental concerns, or because they may present (perceived) threats to agricultural heritage. Many rural communities do not want to have so many businesses, workers, and traffic that they lose their identity, character of place, or sense of history.

Many rural communities wish to develop within their existing culture, an entrepreneurial spirit that is valued, accepted, and supported within the community. Local leaders and policy makers must recognize there are no overnight solutions, and that culture change, if it is to occur, must occur at the local, community level. Our rural communities need local leaders with vision, tenacity, creativity, and commitment to creating a sustainable entrepreneurial culture.

**Recommendations for Culture:**

An initial strategy for overcoming these concerns, according to the Academy consensus, is a *concerted public education campaign* that does two things. First, such a campaign would need to remind community leaders and citizens of the benefits of an economy that can innovate and adapt. Second, such a campaign should show examples of Minnesota communities that have found balance between agricultural heritage (preserved by farmers who, after all, are excellent entrepreneurs themselves) and sustainable growth of more diverse industries.

For this to happen effectively, a *short public statement by the Governor* confirming entrepreneurship as a primary strategy of economic development would send a helpful and vital signal to state and local agencies alike. This should be accompanied by a more permanent policy that provides *awards, services, and/or special funding to communities* who had developed assessments and plans that encompass the entrepreneurial spirit. This process could in turn form the centerpiece of a *long-term public relations campaign* of sort. Statistics need to be available (jobs, wages, investments, gross product) to demonstrate the historical impact of entrepreneurship on Minnesota. Visitations lead by the Department of Trade and Economic Development (DTED) and the Governor to cities and townships that are developing entrepreneurial programs would highlight the benefits of rural diversification. During his first two years, Governor Ventura has advocated policies that make Minnesotans more self-reliant; awarding successful “Entrepreneurs of the Month” in rural communities visited would reinforce that image.
A change in culture requires, of course, more than just public relations. Rural areas need to clearly define and market their strengths. (See technical assistance above.) Perhaps a re-definition of some areas of Greater Minnesota into regional trade networks that would have the economies of scale to support higher-paying industries and jobs, as well as desired cultural amenities, could benefit the more isolated rural areas.

Changing demographics—in particular, the aging of the baby boomers—may produce additional opportunities for adapting both industry and culture. More post-secondary training in rural areas for practitioners of geriatric medicine and senior care, and sustainable development of recreational and retirement facilities and communities, are two examples of the kinds of entrepreneurship that local communities might find compatible with their cultures.

There are several areas where education and culture clearly intersect. Providing targeted assistance to minorities (some of which already exists), to include immigrants, is one example. The group mentioned on more than one occasion the importance of integrating successive groups of immigrants into economic successes. Entrepreneurial ventures are often the most readily available vehicles for such successes, but require the blending cultures and educational methods in new and different ways.

Similarly, Native American communities are still at a significant disadvantage when attempting to foster entrepreneurs. Successive decades of economic and social struggle have made it difficult to generate a pool of business leaders who are sufficiently entrepreneurially successful to reverse this situation. Special consideration must be made of the Native American culture, especially its contribution to the history of Minnesota, when nurturing Native American entrepreneurs in our communities.

In summary, recommendations for education and culture:

- Research the curriculum models at the University of St. Thomas and elsewhere for examples of educational programs that emphasize entrepreneurial skills, and integrate those models into rural community technical assistance efforts.
- Support the State Graduation Rule, particularly its project-based learning elements, and its implicit support of partnerships with “real-world” players such as businesses, non-profits, and other local economic players. Entrepreneurial internship programs (like one sponsored by the Kauffman foundation in Duluth) may be valuable models.
- Conduct a concerted public educational campaign that reinforces the benefits of entrepreneurship and recognizes that achievement in Rural Minnesota.
- Investigate models for pooling economic resources and planning among regions to create larger economies of scale.
- Identify new opportunities that the aging of America presents to the culture of Greater Minnesota, and adjust technical assistance programs appropriately.
- Target immigrants and other ethnic communities with education and technical assistance opportunities, and record their experiences by integrating the experiences and lessons learned with America’s and Minnesota’s changing entrepreneurial culture.
- Conduct a specific campaign in Native American enclaves across Minnesota to actively seek their input on how a more entrepreneurial culture can be developed and integrated into their communities.