

Analyzing Economic Development Options

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Community and Economic Development

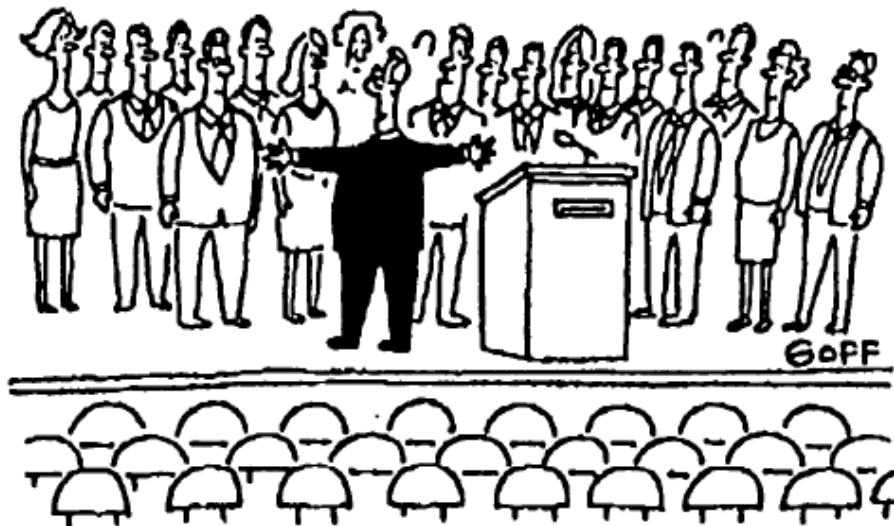
University of Arkansas

Cooperative Extension Service

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“There are three kinds of groups: Those that make things happen; those that wait for things to happen; and those that wonder what happened.”

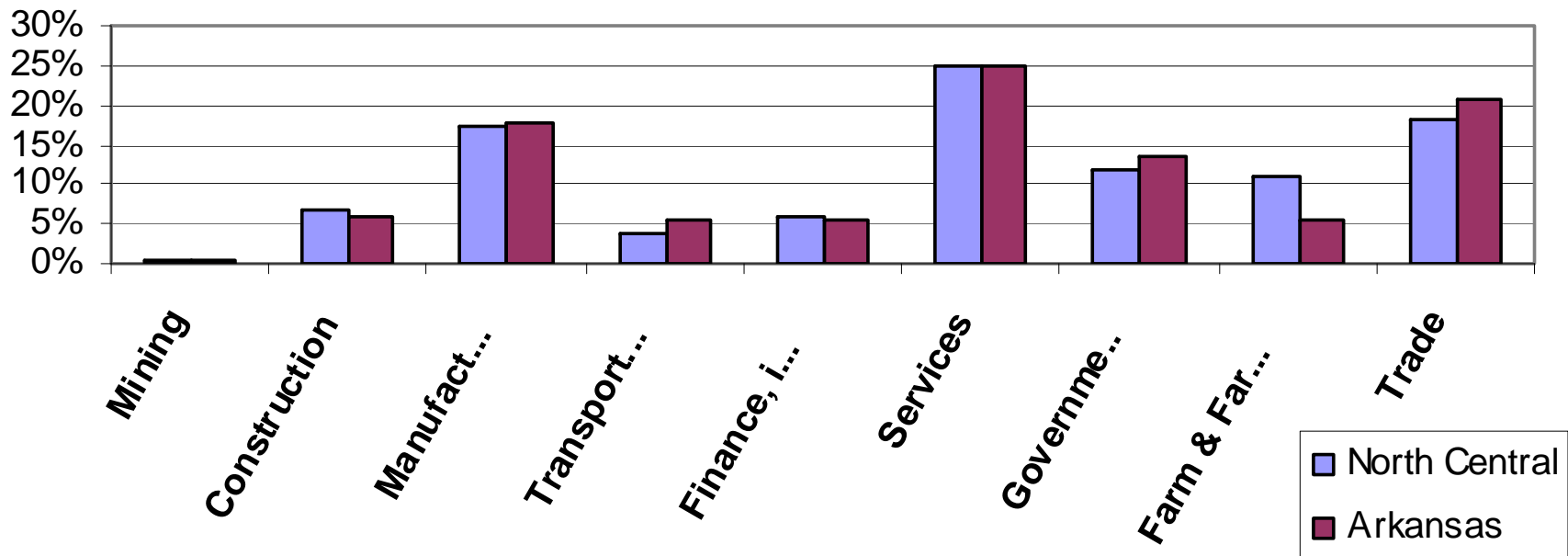
Anonymous



"WELCOME TO THE LEADERSHIP SEMINAR. NOW, WILL YOU **ALL** SIT DOWN AND ALLOW ME TO LEAD THE SEMINAR ? "

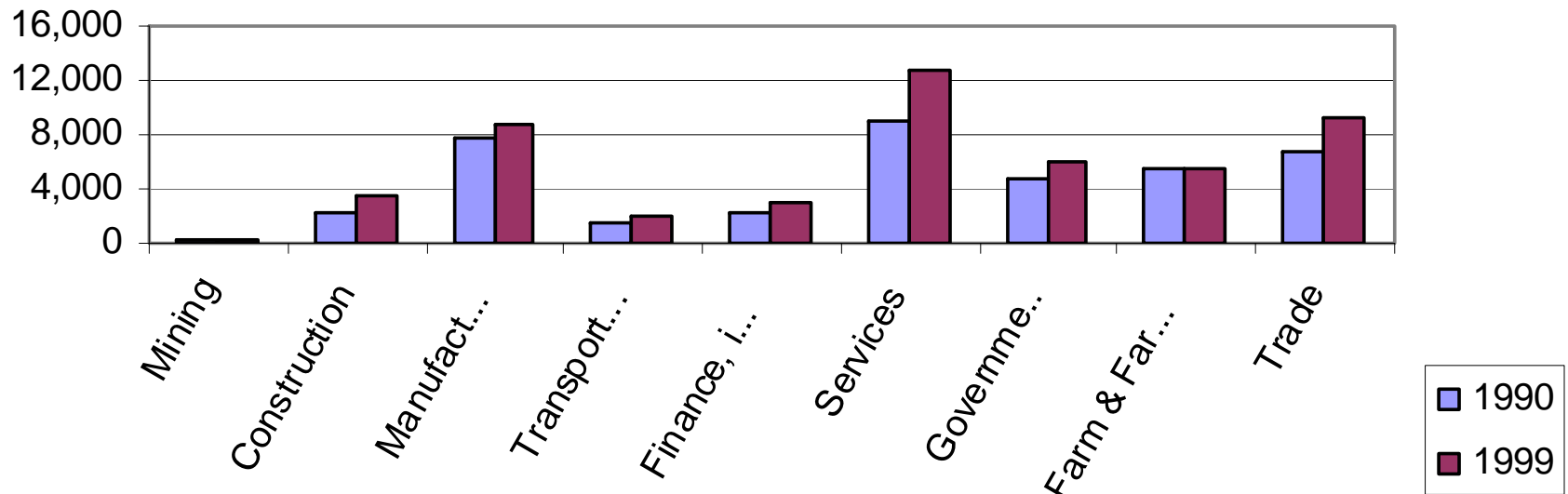
Employment By Sector

Employment By Sector - 1999



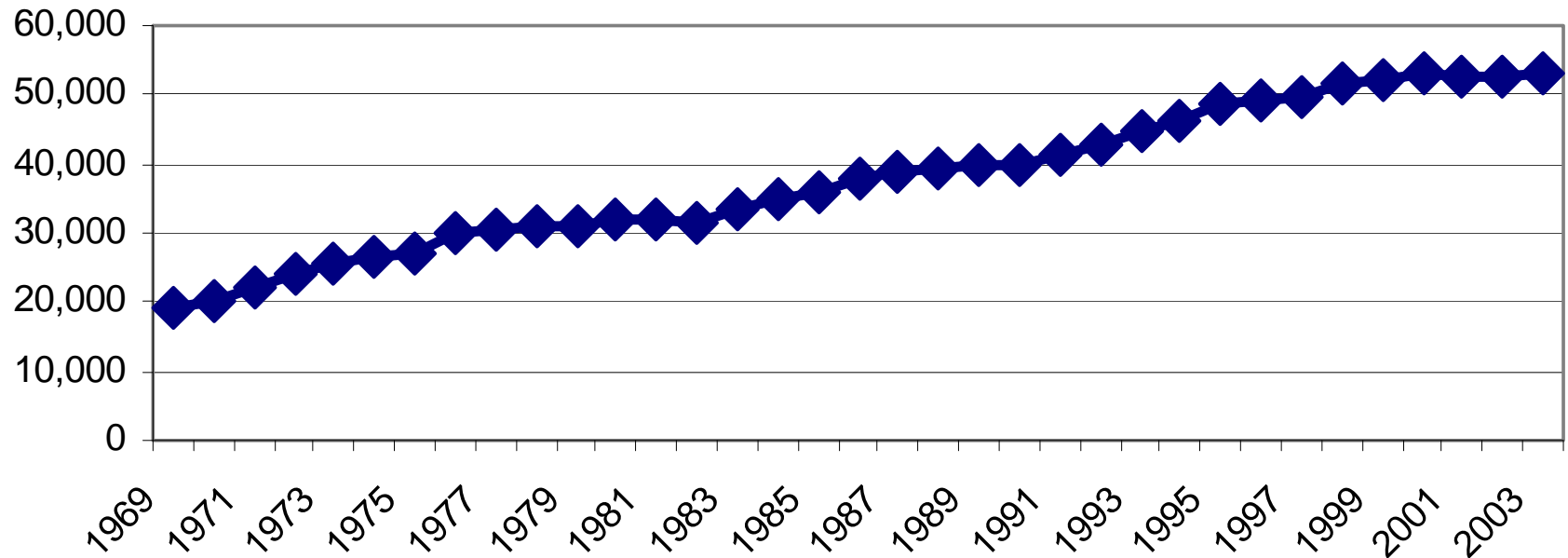
Employment By Sector

Employment by Sector North Central Region

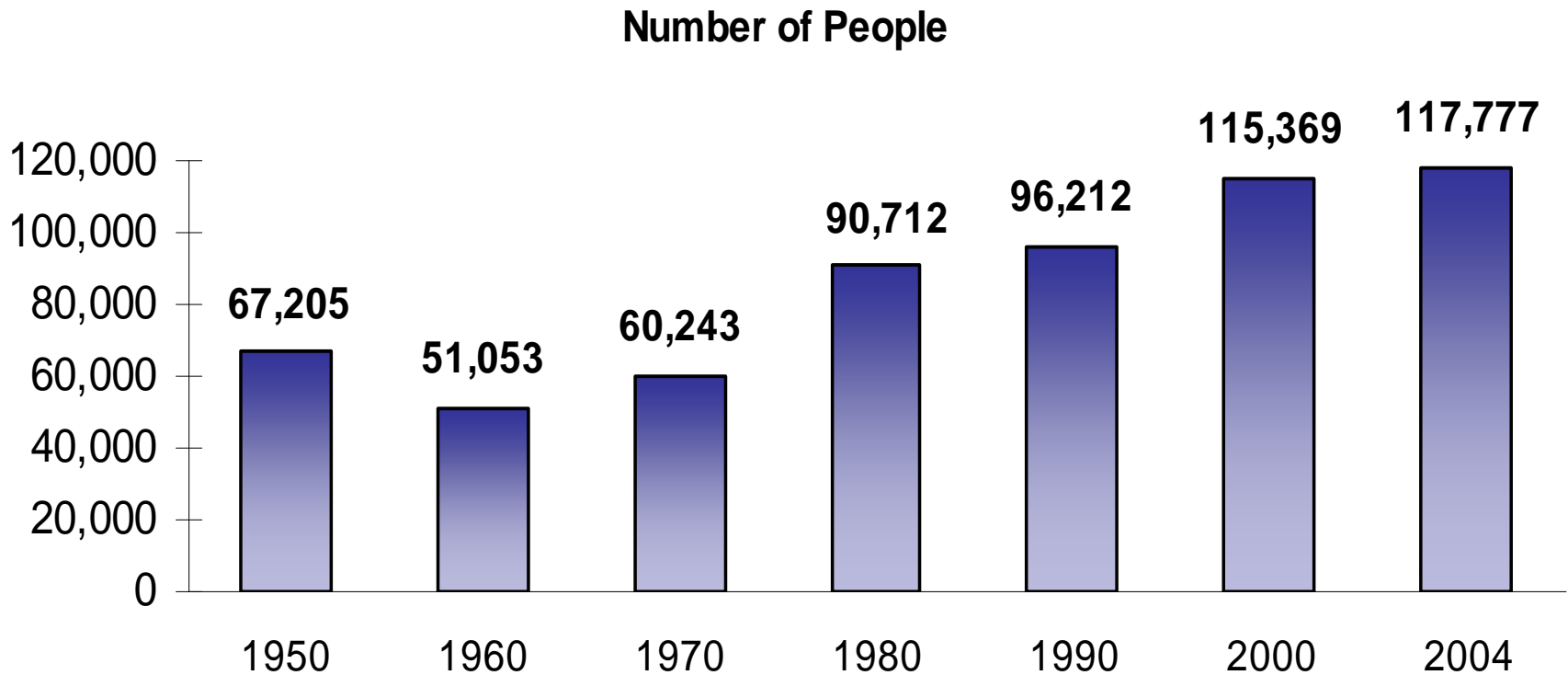


Total Employment

Employment - North Central Region



Population: North Central Region





Economic Development

- **Economic Development is a process whereby people gain control of and use their human, financial, technological, and physical resources to improve their material well being.**



Economic Development

- In order to *gain control of* and *use* your human, financial, technological & physical resources you have to know what they are and how they impact material well-being
- Identify & build on your strengths & competitive advantages

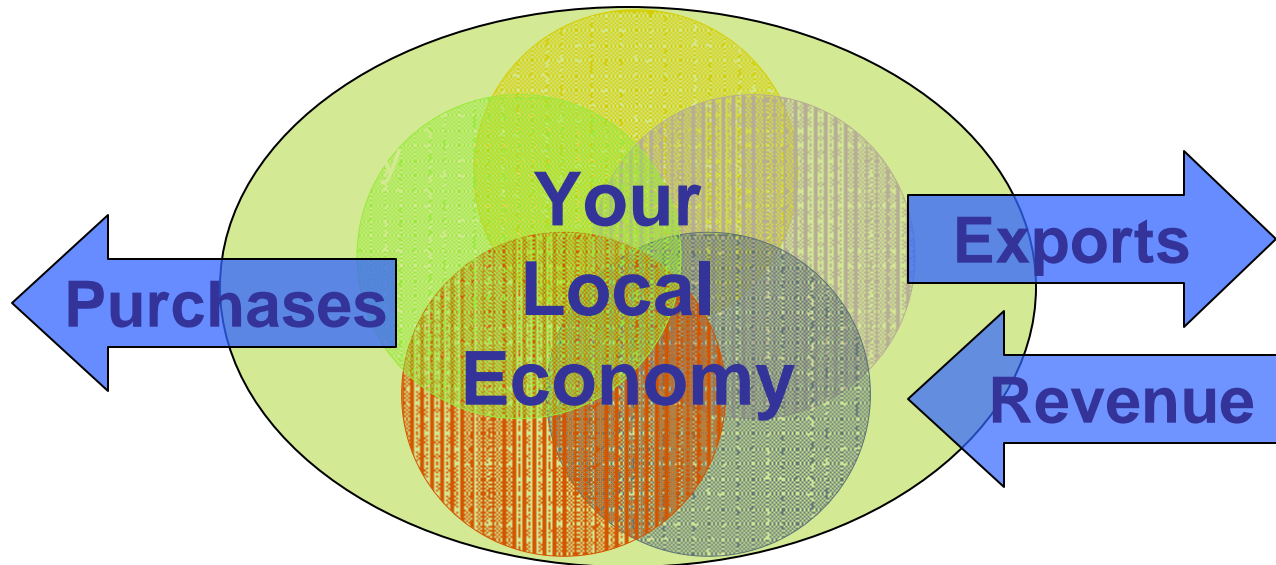


Economic Development

- **Identify strengths & comparative advantage through regional economic analysis:**
 - what was
 - what is
 - what could be
 - how your regional economy relates to the state, national and global economies

Your Local Economy

At Its Simplest





Five Possible Areas of Analysis

- **Regional assessment & analysis of current situation**
- **Assessment of development capacity**
- **Analyze current & potential economic base of region**
- **Develop regional economic (IMPLAN) model**
- **Regional trade analysis**



Regional Economic Analysis

- **See where regional economy has come from and how it has changed**
- **Better understand current state of the economy**
- **Understand regional economy in context of State, National & Global economies**
- **Assess potential for growth**



Regional Assessment

- Regional assessment & analysis of socioeconomic conditions
- Population
- Employment
- Education
- Income
- Retail Sales
- Poverty
- Health
- Agriculture
- Manufacturing
- Retirees
- Tourism

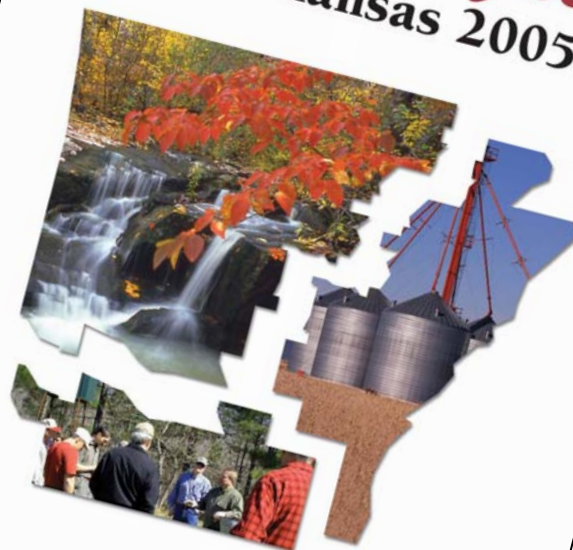
Benchmark regional economy with state and U.S. as a whole

Regional Assessment

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Data sources and data notes are presented with the Appendix B tables.	
County Map.....	back cover

Rural Profile of Arkansas 2005



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Development Capacity

Assessment of Development Capacity using the CFED model

- Human Resources
- Financial Resources
- Infrastructure Resources
- Amenity Resources
- Innovation Assets



Economic Base

Analyze Current & Potential Economic Base of Region

- Description & explanation of changing economic base
- Identify competitive advantages using shift-share analysis
- Identify & exploit regional amenities
- Identify regional clusters with potential for growth



Regional Economic Model

Develop Regional Economic Model

- **Assess regional economic benefits of different economic development strategies**
- **Provide regional multipliers for about 500 industries**
- **Capacity to conduct regional economic & fiscal impact studies of growth or decline in business activity**

Regional Economic Model

http://www.uark.edu/Other_Areas/publications/PDF/SCDD-6.pdf - Microsoft Internet Explorer

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Economic & Community Development

Economic Multipliers: How Communities Can Use Them for Planning

Wayne P. Miller
Extension Economist

The economic structure of rural communities in Arkansas is changing. Populations of many rural areas declined during the 1980s. Farming and forestry provide fewer jobs. Some leaders are revitalizing their communities by diversifying their local economies. Economic multipliers help leaders predict the "ripple effects" of new industry and business expansions.

A new or expanding industry can have economic impacts beyond the jobs and income generated by the original project. Often community leaders do not have the time or expertise to obtain

identify their limitations. We also provide an example to illustrate the use of multipliers.

Multiplier

A multiplier summarizes the total impact that can be expected from change in a given economic activity. For example, a new manufacturing facility or an increase in exports by a local firm are economic changes which can spur ripple effects or spin-off activities. Multipliers measure the economic impact of these new exports, including the resulting



Retail Trade Analysis

Regional Retail Trade Analysis

- **Identify retail trade gap between potential and actual trade in the region**
- **Conduct survey of consumer shopping patterns**
- **Identify potential for increased retail trade in the region**



Planning Your Analysis

- **Determine what's already done**
- **Identify the gaps**
- **Review the options**
- **Determine priorities**
- **Develop a plan for analysis**
- **Establish roles/timeframe**



Possible Products

Products depend on your goals/needs:

- **Report**
- **Publication**
- **Brochure**
- **PowerPoints**
- **Database**



Highlights

- ***Economic Development*** a process to improve quality of life for community residents
- ***Regional Economic Analysis*** provides information for decision makers to use in this process



“Strength does not come from physical capacity. It comes from an indomitable will.”

Mahatma Gandhi