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Abstract: West Virginia is one of the poorest states in the nation and its rural communities are more hard pressed than their urban counterparts. At the same time, West Virginia is one of the most densely forested states in the USA. The combination of poverty amidst a wealth of forest suggest that economic development based on the forest resource could provide solutions for poor rural communities. However, even though decades of public programs have significantly improved the well-being of West Virginia's citizens, rural counties still tend to have the highest unemployment rates, poverty rates and out-migration (Isserman 1995).

There is very little information about the success of forest-based economic development efforts relative to the success of other types of economic development efforts. There is also very little information about the relative success of economic development efforts in forest-dependent communities as compared to other rural communities. This research project will increase our knowledge of the impact of economic development activities on rural communities. The findings is of relevance to West Virginia University's Division of Forestry, West Virginia Council for Community and Economic Development, and the United States Department of Agriculture, Forest Service programs.

The objective of this study is to determine whether economic development programs are effective in forest-dependent-communities. In making this determination, data from the forests, the forest industry, the state park system, the hunters and fishmen as well as and rural communities have been collected and analyzed.

Preliminary results indicate that the combined 1992 economic output from West Virginia's forest-based economic activities was \$4.30 billion revenue, 59,510 jobs, and \$1.259 billion in wages. The Wood Products Industry contributed \$2.135 billion revenue, 16,803 jobs, and \$0.465 billion wages. Tourism contributed \$1.99 billion revenue, 39,327 jobs, and \$0.742 billion in wages. Finally, in-state fishing and hunting activities accounted for \$178 million revenue, 3,380 jobs, and \$51 million in wages.

Heavily populated, highly forested counties with many campsites, many hotels, high levels of locally owned public land are more likely to generate jobs and revenues in the tourism sector. On the other hand, counties which generate the largest number of wood industry jobs tend to be the larger counties in which major areas are owned by the U.S. Forest Service or the forest industry.

In the next stage of this McIntire-Stennis funded project, the role of economic development initiatives in the growth and development of the forest sector, will be examined.

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