

AN ABSTRACT OF THE THESIS OF

MARUT MUANGKOE for the degree of MASTER OF SCIENCE

in Agricultural Economics presented on May 8, 1978

Title: INTERRELATIONSHIPS BETWEEN ISSUES OF THE

ENVIRONMENT AND ECONOMIC GROWTH: AN

ECONOMIC-ECOLOGIC ANALYSIS OF TILLAMOOK

COUNTY, OREGON

Abstract approved:

Redacted for privacy

Russell C. Youmans

The general objective of this study is to develop a systematic evaluation of the interrelationships between issues of the environment and economic growth for Tillamook County. In order to gain some appreciation for the complexities between environment and economic development; specific objectives were established

- 1) to identify relevant economic-ecologic linkage in Tillamook County and quantify these linkages for incorporation into the model,
- 2) to develop environmental impact business output and household income coefficients and 3) to indicate the use of the economic-ecologic model in environmental planning.

Local communities who are concerned with the development can utilize the essential information of economic-ecologic model for assisting local decisions. However, the decision is framed

in terms of trade-offs between changes in business outputs and/or household income and environmental consideration. For example, if biochemical oxygen demand (BOD) is a major environmental concern in the community then (BOD) produced per dollar of household income or business output is one criteria to be considered when evaluating potential expansion of business activity. If the community has options of influencing selection of wood processing; plywood mill, seafood processing or a salmon plant, the least BOD impact per dollar of output or income would be wood processing. If electricity is the major concern, wood processing uses the least electricity per dollar of business output but seafood processing uses the least electricity per dollar of household income. The community can see the need to clarify the goals. In general sense, the model provides alternative impacts for comparison when making local decisions concerned with development. By allowing comparisons, the locally most important trade-offs in environmental impact can be evaluated.

The economic-ecologic model is adequate to estimate the impact of proposed developments. For example, if we know the basic expenditure pattern of the proposed new plant and its specific demand on local resources from an environmental stand point the economic-ecologic trade-offs can be estimated. The basic expenditure of the proposed salmon aquaculture development would contribute increase local economic activity, a portion of which would be to

construction \$13,000, to retail and wholesale sales \$22,000, \$6,000 in government taxes and payments to households of \$65,000. Associated with this economic activity would be the following types of annual or local environmental loads: 780 pounds of particulates, 14,720 pounds of 5 Day BOD, 59 cubic yards of solid wastes and need for 1,148,010 gallons of water, and 307,260 kilowatt hours of electricity. The local challenge is how to evaluate the relative impacts and determine the preferred cause of development.

Interrelationships Between Issues of the Environment
and Economic Growth: An Economic-Ecologic
Analysis of Tillamook County, Oregon

by

Marut Muangkoe

A THESIS

submitted to

Oregon State University

in partial fulfillment of
the requirements for the
degree of

Master of Science

June 1979

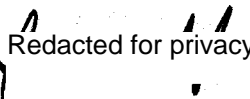
APPROVED:

Redacted for privacy

Professor of Agricultural Economics
in charge of major


Redacted for privacy

Head of Department of Agricultural Economics


Redacted for privacy

Dean of Graduate School

Date thesis is presented May 8, 1978

Typed by A & S Bookkeeping for Marut Muangkoe

ACKNOWLEDGEMENTS

I wish to convey my gratitude to the faculty of the Department of Agricultural and Resource Economics and the Department of Economics for their contribution to my education and training during the entire period of my study.

I wish to express my sincere appreciation to Dr. Russell C. Youmans, my major professor, for his encouragement, patience, guidance and assistance throughout the writing of the thesis.

I am deeply indebted to Dr. Donald H. Farness, Dr. Bruce A. Weber, and Dr. Richard E. Towey for their advice and for their aid in reviewing this thesis.

Special appreciation are due to my friends, all persons, officials and professors, in Tillamook County, Salem, Portland, and Oregon State University, whose enthusiastic cooperation made this study possible.

My sincere appreciation and grateful thanks are also given to Dr. Grant E. Blanch and Dr. Ludwig M. Eisgruber and Dr. and Mrs. H. B. Cheney, for their helpful, encouragement and patience, without which graduate study would not have been possible.

Lastly, I am grateful for encouragement, patience and financial support given me by my mother, Bang-on Ua-withaya, and my aunt, Soi-thip Ua-withaya, and all my family throughout this period of study.

TABLE OF CONTENTS

| <u>Chapter</u> | <u>Page</u> |
|---|-------------|
| I. INTRODUCTION | 1 |
| Objectives | 2 |
| Procedures | 3 |
| II. AN ECONOMIC-ECOLOGIC MODEL: THE THEORY | 5 |
| III. THE TILLAMOOK COUNTY ECONOMIC MODEL | 20 |
| Technical or Direct Coefficients | 20 |
| Interdependence Coefficients or Direct and Indirect Coefficients | 24 |
| Household Income Multipliers | 32 |
| IV. ECONOMIC-ECOLOGIC LINKAGES | 35 |
| The Interindustry Transaction Environmental Table | 35 |
| Source of Data | 35 |
| Underlying Assumptions | 40 |
| The Environmental Matrix | 41 |
| Waste Treatment Possibilities | 45 |
| V. THE ECONOMIC-ECOLOGIC MODEL AND ENVIRONMENTAL PLANNING | 47 |
| Direct and Indirect Environmental Linkages | 47 |
| Atmospheric Emissions | 51 |
| Water Directed Emissions | 54 |
| Water Inputs | 55 |
| Solid Waste | 56 |
| Energy | 57 |
| Woods and Residues | 58 |
| Oil and Diesel | 61 |
| Gas | 62 |
| Electricity | 62 |
| Environmental Impacts Per Dollar of | |
| a) Total Business Output | |
| b) Total Household Income | 69 |
| Economic-Ecologic Model Use in Environmental Planning | 88 |

| <u>Chapter</u> | <u>Page</u> |
|----------------|-------------|
| VI. SUMMARY | 102 |
| BIBLIOGRAPHY | 105 |
| APPENDIX A | 110 |
| APPENDIX B | 114 |

LIST OF TABLES

| <u>Table</u> | <u>Page</u> |
|---|-------------|
| 1. Estimated direct input coefficients and leakage coefficients for Tillamook County, Oregon, base year 1973. | 21 |
| 2. Direct and indirect coefficients matrix for Tillamook County, Oregon, including output multipliers and direct household income. | 26 |
| 3. Economic sector output multipliers, exports, total output and contribution to the county economy, Tillamook County, 1973. | 30 |
| 4. Major exporting sectors contributions to the county economy, Tillamook County, 1973. | 31 |
| 5. Direct and indirect contributions to total household income by sectors, Tillamook County, 1973. | 33 |
| 6. Transactions matrix showing ecologic linkages to Tillamook County economy, 1973. | 36 |
| 7. Direct ecologic linkages to Tillamook County economy: resource inputs and waste outputs per dollar of gross output. | |
| 8. Coefficients of direct and indirect environmental impacts per one dollar of business output, Tillamook County, 1973. | 48 |
| 9. Rankings (1 thru 10) of economic sectors direct and indirect relationship to selected environmental goods: Tillamook County, Oregon, 1973. | 64 |
| 10. Coefficient of direct and indirect environmental impacts per dollar of business output, Tillamook County, Oregon, 1973. | |

TablePage

- | | | |
|-----|---|-----|
| 11. | Coefficient of direct and indirect environmental impact per dollar of household income, Tillamook County, Oregon, 1973. | 73 |
| 12. | Economic sectors exhibiting relatively large environmental impact for dollar of business output, Tillamook County, Oregon, 1973. | 78 |
| 13. | Economic sectors exhibiting relatively large environmental impact per dollar of household income, Tillamook County, Oregon, 1973 (Ranking 1-10). | 83 |
| 14. | Three rankings (1-10) of major economic sectors relative to categories of: environmental linkage coefficients, environmental business output coefficients, and environmental impact household income coefficients. | 89 |
| 15. | Comparison of direct and indirect environmental linkage coefficients of selected sectors with environmental business output coefficients and environmental impact households income coefficients, Tillamook County, 1973. | 91 |
| 16. | Economic and environmental tradeoffs. | 97 |
| 17. | Impact of environmental on Tillamook County of addition of \$536,000 of a salmon exports. | 100 |

LIST OF FIGURES

| <u>Figure</u> | <u>Page</u> |
|---|-------------|
| 1. Hypothetical Matrix Representation of Economic and Natural Resource Systems. | 13 |
| 2. A Simplified Illustration of the Economic-Ecologic Model. | 15 |
| 3. Hypothetic figures show post multiplying the environmental matrix by the inverse matrix of the input-output model. | 18 |
| 4. Hypothetic figures show economic-ecologic linkages. | 19 |

INTERRELATIONSHIPS BETWEEN ISSUES OF THE ENVIRONMENT AND ECONOMIC GROWTH: AN ECONOMIC-ECOLOGIC ANALYSIS OF TILLAMOOK COUNTY, OREGON

I. INTRODUCTION

Due to recent developments, local people are becoming increasingly concerned about interrelationships between issues of environmental quality and economic growth. Local committees and officials are interested in examining economic alternatives which bring economic benefits and have minimal effect on environmental quality. Economists are challenged to look more closely at growth and environmental relationships in local economies to assist this social decision making (Collins, 1970, p. 1-2).

No longer can community or regional planning be primarily concerned with the economy and its development, but rather it must also be aware of the effect of economic development on the natural environment (Laurent and Hite, 1970, p. 1).

Unfortunately, many environmental considerations are not priced in economic markets. As a result, the information necessary to bring such considerations into traditional economic analysis is lacking. Therefore there is a strong need to develop economic tools which can incorporate environmental considerations into the regional planning process. Such methodology should account for all inputs

and outputs of an economic and environmental nature. Workable solutions to the problem of tradeoffs between regional economic and natural environmental quality lie in such methodology (Isard, 1968, pp. 85-96).

This study is an attempt to develop a general model, based on existing economic methodology, for the purpose of incorporating environmental as well as pecuniary values into management systems for natural resources. No attempt to simulate the internal system will be made. Major emphasis will be placed on the direct interaction of natural and economic systems. The non-market inputs and residuals that join the system will be analyzed without consideration of the natural system, safe minimum standards, finite resource supplies, regenerative processes, etc.

Objectives

The general objective of this study is to develop a systematic evaluation of the interrelationships between issues of the environment and economic growth in order to gain some appreciation for the complex relationships between the environment and economic development. It is the intention to draw those implications which would assist decision making by local committees interested in examining economic alternatives which bring economic benefits and identify the effects on environmental quality.

The specific objectives of this study are:

1. To identify relevant economic-ecologic linkages in Tillamook County and quantify these linkages for incorporation into the model.
2. To develop environmental impact business and household income coefficients, i.e., the environmental impact per dollar of business generated by the various sectors in the economic input-output table describing the Tillamook County economy.
3. To indicate the use of the economic-ecologic model in environmental planning.

Procedures

The economic and environmental relationships in this study are built around Leontief's input-output analysis. This modified input-output model follows the works of Laurent and Hite (1971) and Roberts (1973), and was a modification of the Isard economic-ecologic model.

Considering the Leontief system as a general theory of production, the environmental matrix was developed to fit within this modified input-output model. The environmental matrix shows the inflow from the environment and outflow to the environment associated with one dollar of gross sales. An economic input-output table or matrix was constructed for Tillamook County, Oregon by Ives (1977).

The linkage of the economic input-output matrix and environment involved post-multiplying the environmental linkages matrix by the inverse matrix of the input-output model.

$$(S) (I-A)^{-1} = Z$$

where

S is an environmental linkage matrix.

$(I-A)^{-1}$ is the Leontief inverse matrix.

Z is a matrix of the direct and indirect environmental impact of each economic sector.

The completed model was used to quantify particular economic-ecologic linkages in Tillamook County, Oregon. Of particular interest are the direct and indirect environmental impacts which result from an increase in the output of the various industries of the county. These ecologic impacts are expressed in terms of:

a) dollars of total business output, b) dollars of indirect business output (resulting from an increase in direct output) and c) dollars of direct and indirect household income (resulting in an increase in exports or additional business). These coefficients could then be used to indicate the direct and indirect impacts on both the economic and ecologic systems of various types of economic growth and management strategies.

II. AN ECONOMIC-ECOLOGIC MODEL: THE THEORY

The Tillamook County input-output model¹ (1973) is adapted to provide information relating the market and non-market aspects of the pecuniary forces in the economy. Generally, many environmental goods are not bought and sold in markets. This immensely complicates the difficulty of quantifying the tradeoffs between economic development and conservation or use of natural resources. If available, it would assist in wiser use of resources for the community under investigation.

A conceptual model of the economic-ecologic relationships will be developed for analyzing environmental resources and their roles with respect to an interrelated economic system. This task involves developing a model that will provide the necessary economic information as well as quantifying the economic-ecologic linkages. The conceptual base for the modified input-output used in this study is rooted in work done two centuries ago. The input-output analysis used here, was developed from the theory of economic equilibrium. The first publication relating to input-output analysis was published by François Quesnay in his Tableau Economique (1758). His focused attention on

¹The Tillamook County input-output model was developed by Ives (1977).

the circular flow of economic goods in a national economy. His work recognized the broad interrelationships within an economic system and was the forerunner of modern input-output analysis (Newman, 23, pp. 34-40). In other words, his work contributed to the understanding of the interdependent nature of economic activity in an ideally competitive economy. It showed graphically the different activities that increased the value of a product (Collin, p. 11).

The reference point for most modern general equilibrium analysis, however, is found with another Frenchman, Leon Walras. In 1874 Walras published the Elements d'Economie Politique Pure. His main interest was to determine all prices in an economy at the same time. He was one of the first to work with production coefficients, consumer income, and expenditures (Collin, p. 18). Walras was interested in the simultaneous answers which an economic system gives to such questions as: What is to be produced and how much is to be produced? He developed a general equilibrium model based on a series of simultaneous equations, each of which represented a good or service produced by the economy (Spiegel, pp. 581-591). Walras utilized a system of simultaneous equations, one equation per commodity, to represent a general equilibrium model to be used in the determination of prices. The prices were used in the commodity equation to determine aggregate demand (Roberts, pp. 40-41). Other early workers with equilibrium models included

Gustav Cassel of Sweden and Vilfredo Pareto of Italy (Collin p. 19).

However, until recently, the entire concept of the general equilibrium model was considered as strictly a theoretical device. The practical use of this analysis was not made until the 1930's by a Russian born economist, Wassily Leontief, who realized that these ideas were more than just a tool for the theoretician. He developed a theory of production based on the general equilibrium concept of economic interdependence. But he went several steps beyond theory and gave general equilibrium analysis an empirical tool. He published an input-output table for the United States economy in 1936 (Leontief, pp. 105-125). Thus, he was able to apply inter-industry analysis in a manner not available to Quesnay and Walras. The age of Quesnay was one of laissez-faire, an age in which government was viewed as having no economic role; while Walras viewed the general equilibrium approach as conceptually rich, but empirically impracticable (Roberts, p. 41). Since Leontief's contribution, the model has been used to study regional and local aspects of economic impacts. However, empirical applications of the model to natural resource problems have been relatively new and generally have been limited in scope.

In 1954 Professor S. C. Ciriaey-Wantrup (1954) showed that input-output model might be useful in developing a framework necessary for analyzing the effects of investments in water resource

projects. In 1957 Professor W. Folz concluded that such studies applied to comprehensive river basin studies, could be very useful in describing the expected pattern of growth of a region (Folz, p. 211).

A study on water was presented by Lofting and McGauhey (1963); they developed water use coefficients to be used in association with an input-output table representing the California economy. The model displayed the sectors of the economy which exercise demands for water, both directly and indirectly. Davis (1968) further expanded the above work. He developed a multiregional input-output model in an attempt to decide the economic interdependence between various Pacific and Mountain States and possible impacts of various water planning systems.

The suggestion for a general model to deal with the entire natural environment has also come recently. Most economists have been using partial equilibrium analysis to approach the examination of environmental quality. Solid waste, water and air pollution have been treated as separate problems. As Ayres and Kneese (1970) have stated, the partial equilibrium approach is both theoretically and empirically convenient, but it overlooks the possibility of important tradeoffs between the various forms in which residuals may be discharged back into the environment (Ayres and Kneese, pp. 284-285). A partial equilibrium approach may result in a reduction of certain types of environmental pollution but would increase the expense of the

other types (Laurent and Hite, 1971, p. 11). For example to quote:

One can reduce water pollution by various types of treatment. However, in doing so, one creates sludge which must either be burned or buried. In this matter it is creating air pollution or solid waste for disposal. Therefore, comprehensive planning based on a series of partial equilibrium studies can be plagued by a "fallacy of composition" (Laurent and Hite, 1971, pp. 11-12).

In 1967 Rorham and associates (1967) studied and evaluated the economic impact of marine oriented activities on the Southern New England Maine Region. The study made extensive use of the input-output model to analyze the economic impact of commercial enterprises that depend upon the ocean environment for their business.

Fortunately, Boulding (1972), Ayres and Kneese (1970), and Isard (1969) have recognized the need for a general equilibrium economic model involving the environment to face with this problem. Kenneth Boulding, in his famous "Spaceship Earth" (1972) article first noted that man lives on earth in essentially a closed system (Boulding, 1972, p. 3-14). With the exception of energy from the sun and heat radiated out into space, there are no new inputs into or from man's ecosystem. Instead, there is a materials cycle which involves man removing basic raw materials from the environment, utilizing the services of these materials, and discharging the material substances of these materials back into the environment as waste.

Ayres and Kneese (1969) preceeded Boulding and took the logical step beyond Boulding's "Spaceship" presentation and conceived of

environmental pollution and its control as a materials balance problem for the entire economy (Ayres and Kneese, pp. 284-285).

The essence of their discussion is that if man uses materials from the natural environment, he must return the residuals of those materials to the environment. The questions are how they shall be returned and in what form.

Closely paralleling the work of Ayres and Kneese, but somewhat different is the work of Professor Walter Isard (1967, p. 79-99). The basic idea is that man's economic system produces various exports into the environment. In turn, the ecologic system exports various products to economic system. It is through these exports and imports that the two systems (the economic and the ecologic) can be linked.

As briefly discussed above, Ayres and Kneese, Boulding and Isard have perceived the need for a general equilibrium model involving economics and the environment to surround this problem. The Leontief input-output system provides a base from which such a model can be built. Basically, the Leontief model divided the economy into exogenous and endogenous activities. The economy is broken into processing sectors, final demand, and a primary input sector. The decision as to what is classed as exogenous is based on one's preference and depends on the purpose of the study. For example, the model can be completely closed, as Boulding's "spaceship earth," or it can be very open. In a closed Leontief table, all elements are

endogenous; i. e., there are no imports and exports. If the table is very open, not only will exports and imports be excluded from the processing sector, but such semi-endogenous factors as households and government activities will be excluded (Laurent and Hite, pp. 11-13).

A general equilibrium approach would account for materials moving from the environment into the processing sector of the economy, changing form, and being deposited back into the environment. The ecologic system consists of a large number of interdependent activities involving as inputs and outputs of the many commodities utilized by the economic system. These commodities serve as inputs into the economic system and exports from the ecologic system (Isard, 1967, pp. 79-83). In other words, this materials flow can be seen as a special type of import-export activity or intersystem trading between economy and the environment. Laurent and Hite (1971) discussed this

...by including the environmental resources as just another element (source of inputs and receiver of output) within the framework of the Leontief general production model, the model can be expanded into a general model of economic-ecologic linkages (Laurent and Hite, 1971, p. 13).

Professor Walter Isard (1968) has developed such a model for analyzing the economic-ecologic linkup. The Isard model is a linear system utilizing the input-output model as its basic methodology (Isard, 1967), pp. 83-84). However, the inclusion of the natural system matrix adds a great degree of complexity. It is describing all of the

interrelated processes that take place within the ecosystem under consideration.² Though the disaggregation of environmental resources may be conceptually desirable, the Isard model requires vast amounts of quantitative environmental data. At the given state of understanding of the ecologic system, much of these data are not available. Moreover, in the Isard model, the relations described in the model are linear. Unfortunately, there are many ecologic relationships that do not show linearity.³ The necessity to consider non-linear relationships outside the model restricts the model's capabilities as a tool for general equilibrium analysis. In this manner, the operational significance of the complete model will be minimal until the state of ecologic science improves.

In Figure 1⁴ the Isard model of the economy is related directly

²For example, in the Plymouth-Kington-Dixbury study, Isard found it necessary to attempt to quantify the various components of the chain food for winter flounder in order to develop inputs for commercial fisheries sector (Laurent and Hite, 1971, p. 14).

³Isard considered these non-linear process separately in Plymouth-Kington-Dixbury study. The quantities of white shrimp in any particular season are not directly related to the temperature as it takes a certain temperature range for them to exist at all (Isard, 1968, pp. 502-503).

⁴This section draws heavily on Roberts, 1973, pp. 41-48.

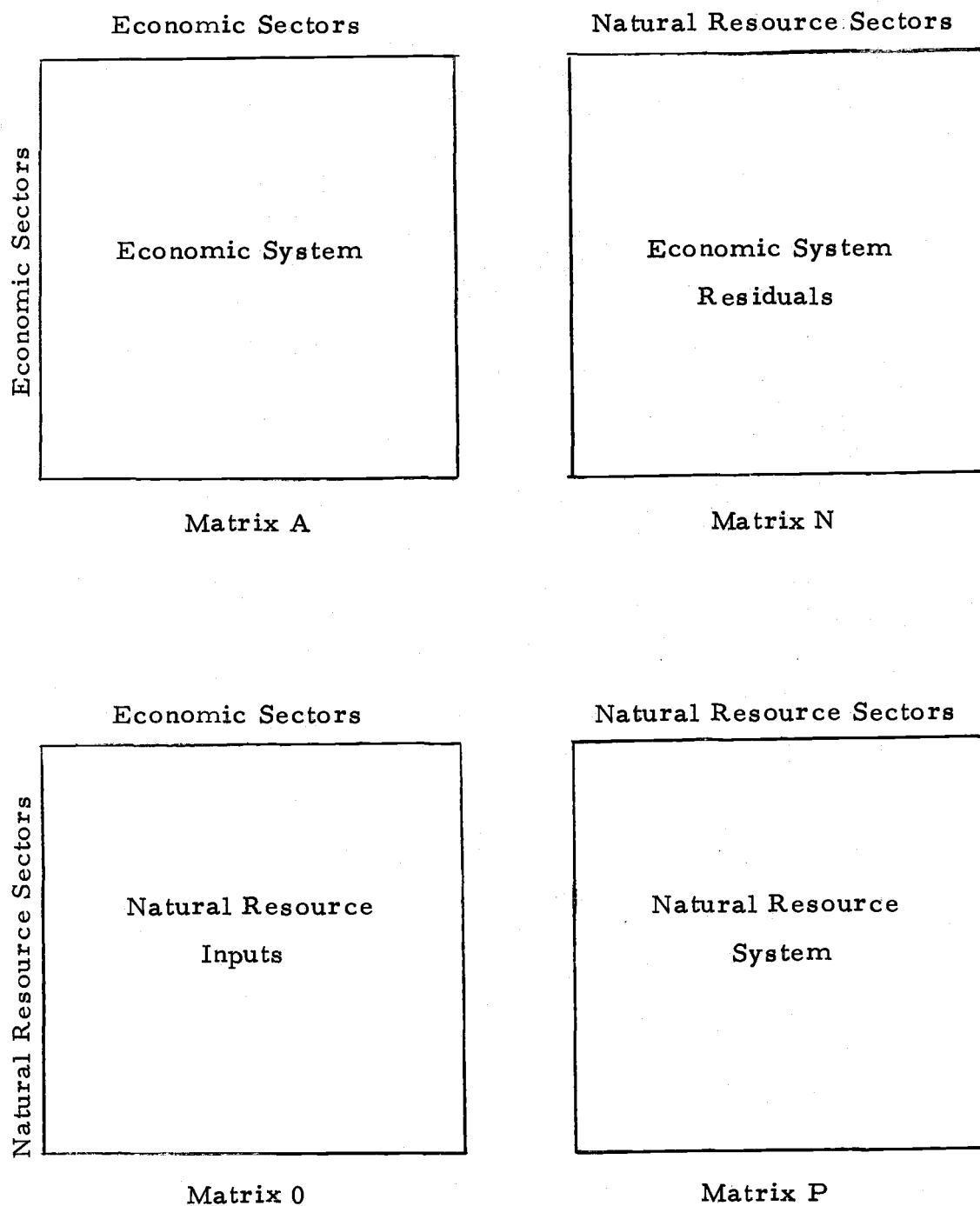


Figure 1. Hypothetical Matrix Representation of Economic and Natural Resource Systems.

to the natural resource base via input requirements (matrix O) and emissions of non-market residuals (matrix N). The natural resource system is represented in conventional input-output format by matrix P. Entries in Matrix P are interpreted in the same manner (not the same units) as elements of a transaction table, A.

Laurent and Hite (1971) discussed some of the problems of the Isard model:

....many problems of the Isard model appear to stem from its all encompassing nature. Although ecologic inputs into the economic system can be viewed at many levels of aggregation (beach, hard march, soft march, etc.) the identification of economic-ecologic linkages does not require such a comprehensive model. The only ecologic processes of direct interest are involved in a state of affairs between the two systems. Consequently, a simplified version of the Isard model is adequate for empirical quantification of economic-ecologic linkages (Laurent and Hite, 1971, pp. 14-15).

Hite and Laurent (1971) and Roberts (1973) used an adaptation of the model in attempts to gain insight into different questions than those explored by Isard. They sought identification of economic-ecologic linkages and reasoned that such a task would not require Isard's comprehensive model.

Figure 2⁵ represents a simplified version of these modified

⁵ This section draws heavily on Laurent and Hite, 1971, pp. 14-17.

Matrix A
Interindustry Matrix

| | A | B | C | Q |
|---|----------|----------|---|----------|
| A | a_{aa} | a_{ab} | | a_{aq} |
| B | a_{ba} | | | |
| Q | a_{qa} | | | |

Matrix N
Ecologic Exports

| | N_1 | N_2 | N_k |
|-------|----------|----------|----------|
| N_1 | n_{a1} | n_{a2} | n_{ak} |
| N_2 | n_{b2} | | |
| N_k | | | |
| Q | n_{q1} | | |

Matrix O
Ecologic Imports

| | O_1 | O_2 | O_n |
|-------|----------|----------|----------|
| O_1 | o_{1a} | o_{1b} | o_{1q} |
| O_2 | o_{2a} | | |
| O_n | o_{na} | | |

Figure 2. A Simplified Illustration of the Economic-Ecologic Model.

models. It assumes a linear system and constant coefficients. Matrix A is a standard economic inter-industry input-output matrix. Each cell contains the amount (measured in dollar values) of the output of the industries in each row required to produce one dollar's worth of gross output by the industry heading the column. Thus a_{qa} is the amount of output of A required to produce one dollar of gross output by Q; a_{qb} is the amount of output B required to produce one dollar of gross output of Q, etc. Below the matrix A is the 0 matrix. It shows the amount (in physical units) of various types of imports from the ecologic system required to produce one dollar of gross output by the industrial sectors in the matrix A. If 0_1 is the cooling water, then 0_{1a} is the amount of cooling water service required to produce one dollar of gross output by A, etc. Beside matrix A is the N matrix. The N matrix is similar to the matrix 0, except it shows exports to the environment from various industries in the A matrix. The matrix N is read in much the same way as the other two matrices. Thus if N_1 is the carbon monoxide, then N_{q1} is the amount of carbon monoxide associated with one dollar of gross output by sector Q, and so on.

The advantages of the input-output modified model are related to the size of the 0 and N matrix. One may have q number of industrial sectors in the A matrix, q number of environmental imports in the 0 matrix, and k number of environmental exports in the N matrix. These numbers are not expanded by the ecologic interprocess

matrix as proposed by Isard. In this manner, one can specify the economic-ecologic linkages at any level of aggregation desired.

Other important modifications have been made in the model by Hite and Laurent (1971) and Roberts (1973). Instead of constructing an N matrix which shows exports of pollutants and other materials into the environment from the economic system, one can consider such exports as negative imports. That is, the elements in the 0 matrix (representing such outputs as solid wastes, BOD, S_2O , etc.) are given a negative sign and included in the 0 matrix. The new matrix will be called the S matrix. Moreover, the modification suggested above does not eliminate the necessity of assuming constant coefficients (linear process). At the present time the modification makes the assumption easier to deal with.⁶

Conceptually the model is useful in this form as it fits within the Leontief system. The model, however, is not derived empirically in this manner as dollar values for environmental goods are difficult to obtain. Moreover, it is more useful to enter the environmental goods in a single matrix rather than two matrices. Therefore, the economic-ecologic linkages are actually quantified by

⁶For example, it is more reasonable to assume that water use or BOD will vary proportionately with industrial output, instead of assuming that aquatic life will vary proportionately with BOD output (Laurent and Hite, 1971, pp. 28-30).

post-multiplying the environmental matrix by the inverse matrix of the input-output model.

S is the ecologic matrix and

$(1 - A)^{-1} = R^1$ is the inverse Leontief input-output matrix.

Then

$$S \times R^1 = Z$$

$$\begin{bmatrix} s_{11} & s_{12} & & s_{1q} \\ s_{21} & & & \\ & & & \\ s_{k1} & & & s_{kq} \end{bmatrix} \times \begin{bmatrix} r_{11}^1 & r_{12}^1 & & r_{1q}^1 \\ & r_{21}^1 & & \\ & & & \\ r_{q1}^1 & & & r_{qq}^1 \end{bmatrix} = \begin{bmatrix} z_{11} & z_{12} & & z_{1q} \\ & z_{21} & & \\ & & & \\ z_{k1} & & & z_{kq} \end{bmatrix}$$

$S \qquad \qquad R^1 \qquad \qquad Z$

Figure 3.⁷ (Roberts, pp. 49-50). Hypothetic figures show post multiplying the environmental matrix by the inverse matrix of the input-output model.

S_{ij} represents the amount of ecologic import, $i = 1, 2, \dots, k$, required to produce one dollar of gross output by economic sector j , $j = 1, 2, \dots, q$.

Each element of R^1 includes direct and indirect requirements per dollar of final demand.

⁷ This section draws heavily on Roberts, pp. 48-50.

Z_{ij} then represents the first, second, third, and subsequent round, environmental requirements per dollar of final demand in each sector.

Consider an example of a five sector economy, A, B, C, D, E, with four ecologic factors of interest, positive need for cooling water, and a negative index of CO, BOD, and solid waste. Assume the following coefficients for S and R^1 .

$$\begin{array}{c}
 \begin{array}{ccccc}
 & S & & R^1 & = & Z \\
 & A & B & C & D & E & A & B & C & D & E & A & B & C & D & E \\
 \text{Cooling} & \begin{bmatrix} -2 & -1 & -3 & -1 & -2 \\ 5 & 2 & 1 & 4 & 2 \\ -3 & -1 & -1 & -2 & -1 \\ -1 & -3 & -2 & -1 & -4 \end{bmatrix} & \begin{bmatrix} 1 & 3 & 2 & 0 & 1 \\ 2 & 3 & 1 & 4 & 2 \\ 5 & 2 & 1 & 0 & 1 \\ 0 & 3 & 2 & 1 & 0 \\ 3 & 2 & 1 & 0 & 1 \end{bmatrix} & = & \begin{bmatrix} -25 & -22 & -12 & -5 & -9 \\ 20 & 39 & 23 & 12 & 12 \\ -13 & -22 & -13 & -6 & -7 \\ -29 & 27 & -13 & -13 & -13 \end{bmatrix}
 \end{array}
 \end{array}$$

Figure 4. Hypothetic figures show economic-ecologic linkages.

These hypothetic figures show that for each dollar increase in output of final demand by sector A there is use of 20 gallons of cooling water, a release of 25 pounds of carbon monoxide, 13 pounds of BOD and 29 pounds of solid waste into the environment.

III. THE TILLAMOOK COUNTY ECONOMIC MODEL

The input-output model of Tillamook County was developed by Ives (1977). He conducted a business firm survey to acquire data to complete the Tillamook input-output model. The data were collected from a sample drawn from a list of all firms and agencies in the Tillamook County economy. Household data was not directly acquired, even though one sector of the model was households. These data were collected from businesses estimates of their sales to households.

About 130 different types of firms were found to exist in the county. The total number of the firms was slightly over 1200. Twenty-four sectors were defined for the model, 22 business sectors, one local household and one local government sector. The definition of sectors, in terms of types of businesses included, population sizes, sample sizes of all sectors and strata are presented in Appendix A.

Ives (1977) developed the model around data of purchases made by each sector, the sectors were defined as groups of firms with similar business or production processes. Moreover, some stratification by firm size was done to reduce the variance of the estimated total output and estimated sales to firms exogenous to the model.

Technical or Direct Coefficients

Table 1 of technical coefficients presents the direct purchases

Table 1. Estimated direct input coefficients and leakage coefficients for Tillamook County, Oregon, base year 1973.

| Sector | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| (1) Silviculture | .00126 | .00143 | .18176 | .04944 | .00000 | .00000 | .00000 | .00000 |
| (2) Logging & log hauling | .01263 | .06902 | .01806 | .04604 | .00000 | .00000 | .00000 | .00000 |
| (3) Sawmills | .00002 | .00000 | .02052 | .00011 | .00000 | .00000 | .00000 | .00000 |
| (4) Other wood processing | .00000 | .00000 | .00000 | .00666 | .00000 | .00000 | .00000 | .00000 |
| (5) Commercial agriculture | .00000 | .00000 | .00000 | .00001 | .00000 | .00000 | .00000 | .00000 |
| (6) Commercial fisherman | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .42574 |
| (7) Oyster aquaculture | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00569 | .00467 |
| (8) Seafood processing | .00000 | .00000 | .00000 | .00000 | .00000 | .01571 | .00000 | .01555 |
| (9) Formal tourist lodging | .00000 | .00022 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 |
| (10) Informal tourist lodging | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 |
| (11) Sport fishing and marinas | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 |
| (12) Cafes and taverns | .00033 | .00035 | .00005 | * | .00000 | .00149 | .00000 | .00156 |
| (13) Service stations | .00018 | .00682 | .00159 | .00442 | .00793 | .03307 | .01501 | .00467 |
| (14) Auto and farm implements | .00151 | .01818 | .00389 | .00134 | .04488 | .02808 | .00575 | .00000 |
| (15) Manufacturers | .00000 | .00098 | .00038 | .00000 | .17320 | .01098 | .00000 | .00109 |
| (16) Construction | .04550 | .00002 | .00094 | .00070 | .01719 | .00894 | .00000 | .00669 |
| (17) Retail and wholesale sales | .00319 | .05833 | .02700 | .00595 | .11221 | .11382 | .03683 | .00467 |
| (18) Transportation | .00057 | .00084 | .00052 | .00042 | .01939 | .00000 | .00000 | .02955 |
| (19) Medical services | .00004 | .00000 | .00010 | .00003 | .00291 | .00685 | .00000 | .00156 |
| (20) Other professional services | .00000 | .00843 | .00063 | .00021 | .02671 | .00440 | .01298 | .01166 |
| (21) Financial services | .00000 | .00703 | * | .00003 | .02609 | .01457 | .00000 | .00311 |
| (22) Retail services | .00304 | .01625 | .02166 | .00636 | .04068 | .01204 | .05085 | .01555 |
| (23) Local government | .11734 | .00686 | .00673 | .00467 | .02684 | .01162 | .02890 | .00327 |
| (24) Households | .11444 | .43833 | .19161 | .18577 | .24681 | .46834 | .37494 | .23521 |
| (25) Leakages | .69996 | .36692 | .43459 | .68783 | .25517 | .27010 | .46906 | .23547 |
| Total direct purchase | .30005 | .63308 | .59541 | .31217 | .74483 | .72990 | .53094 | .76453 |

Table 1. Continued.

| Sector | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) |
|----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| (1) Silviculture | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00027 |
| (2) Logging and log hauling | .00000 | .00000 | .00061 | .00000 | .00000 | .00000 | .00000 | .00000 |
| (3) Sawmills | .00000 | .00000 | .00030 | .00000 | .00000 | .00000 | .00000 | .01348 |
| (4) Other wood processing | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | * | .00403 |
| (5) Commercial agriculture | .00000 | .00000 | .00000 | .00274 | .00000 | .00000 | .47271 | .00000 |
| (6) Commercial fishermen | .00000 | .00088 | .00763 | .00000 | .00000 | .00000 | .00000 | .00000 |
| (7) Oyster aquaculture | .00000 | .00000 | .00000 | .00216 | .00000 | .00000 | .00000 | .00000 |
| (8) Seafood processing | .00000 | .00709 | .00429 | .00968 | .00000 | .00000 | .00000 | .00000 |
| (9) Formal tourist lodging | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00001 | .00000 |
| (10) Informal tourist lodging | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 |
| (11) Sport fishing and marinas | .00000 | .00993 | .00000 | .00000 | .00000 | .00003 | .00000 | .00000 |
| (12) Cafes and taverns | .00000 | .00138 | .00345 | .00000 | .00000 | .00052 | .00005 | .00097 |
| (13) Service stations | .00226 | .01829 | .01070 | .00631 | .00000 | .00000 | .00024 | .00690 |
| (14) Auto and farm implements | .01669 | .00078 | .00567 | .00274 | .00258 | .00158 | .00057 | .02808 |
| (15) Manufacturers | .00000 | .00156 | .02837 | .01062 | .00022 | .00065 | .00022 | .00034 |
| (16) Construction | .03851 | .11552 | .03643 | .00500 | .00611 | .00337 | .00330 | .24160 |
| (17) Retail and wholesale sales | .02589 | .06582 | .11695 | .27162 | .44724 | .01711 | .00980 | .01748 |
| (18) Transportation | .00000 | .00007 | .00171 | .00058 | .00000 | .00133 | .00022 | .00470 |
| (19) Medical services | .00000 | .00000 | .00000 | .00023 | .00000 | .00030 | .00008 | .00162 |
| (20) Other professional services | .02314 | .01184 | .00730 | .01341 | .00571 | .00099 | .00118 | .01452 |
| (21) Financial services | .02863 | .04733 | .00000 | .00852 | .00070 | .00654 | .00023 | .00687 |
| (22) Retail services | .10416 | .13894 | .03497 | .04118 | .01587 | .00498 | .00389 | .01645 |
| (23) Local government | .04276 | .05443 | .01493 | .00680 | .00287 | .00202 | .00378 | .00405 |
| (24) Households | .26441 | .22567 | .37743 | .41560 | .17605 | .14404 | .14243 | .28548 |
| (25) Leakages | .45355 | .30045 | .34926 | .20281 | .34268 | .81656 | .36130 | .35315 |
| Total direct purchase | .54645 | .69955 | .65074 | .79719 | .65732 | .18344 | .63870 | .64685 |

Table 1. Continued.

| Sector | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
|----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| (1) Silviculture | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00061 | .00002 |
| (2) Logging and log hauling | .00000 | .00000 | .00000 | .00000 | .00000 | .00008 | .00000 | .00000 |
| (3) Sawmills | .00046 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00006 |
| (4) Other wood processing | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00003 | .00028 |
| (5) Commercial agriculture | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00065 |
| (6) Commercial fishermen | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | * |
| (7) Oyster aquaculture | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00010 |
| (8) Seafood processing | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00000 | .00013 |
| (9) Formal tourist lodging | .00005 | .01499 | .00000 | .00000 | .00000 | .00000 | .00000 | .00089 |
| (10) Informal tourist lodging | .00005 | .00000 | .00000 | .00007 | .00000 | .00000 | .00000 | .00055 |
| (11) Sport fishing and marinas | .00041 | .00000 | .00000 | .00000 | .00000 | .00115 | .00000 | .00081 |
| (12) Cafes and taverns | .00011 | .00000 | .00117 | .00128 | .00000 | .00101 | .00104 | .04409 |
| (13) Service stations | .00320 | .00450 | .00467 | .02160 | .00000 | .00763 | .00153 | .02752 |
| (14) Auto and farm implements | .00285 | .01139 | .00663 | .00476 | .00000 | .00957 | .00265 | .11464 |
| (15) Manufacturers | .00003 | .00000 | .00067 | .00000 | .00000 | .00050 | .00387 | .00444 |
| (16) Construction | .00286 | .00000 | .00894 | .01136 | .00000 | .01529 | .02081 | .08450 |
| (17) Retail and wholesale sales | .08008 | .00051 | .01971 | .02547 | .02480 | .04909 | .05101 | .19271 |
| (18) Transportation | .00298 | .00000 | .00054 | .00000 | .00000 | .00021 | .00067 | .00034 |
| (19) Medical services | .00020 | .00000 | .01690 | .00029 | .00000 | .00035 | .00100 | .03999 |
| (20) Other professional services | .00462 | .00540 | .02895 | .01735 | .00008 | .01592 | .00902 | .01839 |
| (21) Financial services | .00309 | .00139 | .00318 | .00000 | .00000 | .00650 | .00162 | .01063 |
| (22) Retail services | .01536 | .01051 | .03447 | .03144 | .01852 | .03836 | .02854 | .08931 |
| (23) Local government | .00464 | .06119 | .00792 | .00519 | .00868 | .03838 | .02180 | .03631 |
| (24) Households | .20755 | .34779 | .62889 | .67348 | .77073 | .37292 | .54458 | .01942 |
| (25) Leakages | .67146 | .54232 | .23737 | .20770 | .17719 | .44305 | .31122 | .31421 |
| Total direct purchases | .32854 | .45768 | .76263 | .79230 | .82281 | .55695 | .68878 | .68579 |

* Non-zero values less than .000005.

of a given industry from each other industry for each dollar of output. A specific technical coefficient then represents the amount of goods and services required from one local industry to produce a unit of output in another local industry. Table 1 is the matrix of technical coefficients for the Tillamook County as estimated by Ives (1977).

The method of reading the table is simple. Each sector appears twice, as a producer of output and user of input. Reading down the Silviculture column, for each dollar of output by Silviculture direct purchases are made of 0.1 cents from itself, 1 cents from the logging and log hauling sector, 4 cents from the construction sector and so on. The total direct purchases inside Tillamook County are .30005. This is indicative of how much is bought locally by Silviculture sector to produce one dollar of output.

The sum of these technical coefficients for any one column must be equal to or less than one.

Interdependence Coefficients or Direct and Indirect Coefficients

Conceptually, there is an important distinction that must be made between the technical coefficients and interdependence coefficients with respect to sales. The technical coefficients refer to a change of one dollar in the production of output of the endogenous sector regardless of whether it goes to final demand or is used

locally. The interdependence coefficients refer to a dollar change in final demand only.

As illustrated in Table 1, the direct purchases are needed by a particular sector to produce one dollar of output. However, this does not represent the total additional output resulting from an increase in sales to final demand or sales outside of Tillamook County. There are also indirect effects from increases in export production, each sector benefiting from these direct sales require additional inputs from all its supplying sectors. In turn, they must increase production and purchase more from their supplying sectors.

Table 2 represents the matrix of direct and indirect coefficients or interdependence coefficients (Ives, 1977). Each coefficient in this table shows the sum of the direct and indirect requirements of the industry in a column for output from industries in the rows per dollar delivered to final demand. For example, reading down the first column, Silviculture sector purchases, directly or causes to be purchased indirectly, \$1.002 from itself, 14 cents in logging and log hauling, .0.1 cent in the sawmill sector and so on, for each dollar of sales to the final demand.

Table 2 also allows one to compute the business output multipliers for Tillamook County. (The direct and indirect dollar contributions to the Tillamook County economy associated with one dollar increase in business output of each sector in the input-output

Table 2. Direct and indirect coefficients matrix for Tillamook County, Oregon, including output multipliers and direct household income.

| Sector | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| (1) Silviculture | 1.00168 | .00187 | .18621 | .05009 | .00039 | .00040 | .00030 | .00038 |
| (2) Logging and log hauling | .01378 | 1.07435 | .12117 | .05057 | .00025 | .00024 | .00017 | .00022 |
| (3) Sawmills | .00143 | .00134 | 1.02195 | .00076 | .00155 | .00165 | .00115 | .00155 |
| (4) Other wood processing | .00049 | .00055 | .00039 | 1.00696 | .00058 | .00064 | .00047 | .00061 |
| (5) Commercial agriculture | .00132 | .00312 | .00189 | .00120 | 1.09147 | .00852 | .00226 | .00567 |
| (6) Commercial fishermen | .00008 | .00019 | .00011 | .00008 | .00016 | 1.00705 | .00016 | .43562 |
| (7) Oyster aquaculture | .00006 | .00014 | .00009 | .00006 | .00012 | .00023 | 1.00585 | .00495 |
| (8) Seafood processing | .00018 | .00042 | .00026 | .00019 | .00035 | .01653 | .00036 | 1.02319 |
| (9) Formal tourist lodging | .00029 | .00092 | .00045 | .00032 | .00090 | .00074 | .00057 | .00113 |
| (10) Informal tourist lodging | .00017 | .00040 | .00025 | .00018 | .00035 | .00044 | .00034 | .00041 |
| (11) Sport fishing and marinas | .00032 | .00080 | .00050 | .00035 | .00075 | .00088 | .00072 | .00081 |
| (12) Cafes and taverns | .01365 | .03203 | .01952 | .01417 | .02695 | .03577 | .02708 | .03426 |
| (13) Service stations | .01024 | .03007 | .01653 | .01485 | .02934 | .05822 | .03494 | .04268 |
| (14) Auto and farm implements | .03961 | .10587 | .05970 | .04091 | .12393 | .12244 | .07990 | .10050 |
| (15) Manufacturers | .00232 | .00545 | .00329 | .00200 | .19251 | .01677 | .00379 | .01082 |
| (16) Construction | .09845 | .08514 | .06524 | .04193 | .09986 | .10461 | .07406 | .10057 |
| (17) Retail and wholesale sales | .08817 | .25435 | .15331 | .09383 | .30030 | .34018 | .20681 | .25533 |
| (18) Transportation | .00160 | .00260 | .00184 | .00120 | .02304 | .00268 | .00143 | .03205 |
| (19) Medical services | .01236 | .02918 | .01798 | .01307 | .02806 | .03864 | .02494 | .03418 |
| (20) Other professional services | .01009 | .02860 | .01419 | .00932 | .04815 | .02664 | .03067 | .03454 |
| (21) Financial services | .00513 | .01837 | .00764 | .00514 | .03860 | .02691 | .00942 | .02070 |
| (22) Retail services | .03984 | .09594 | .07384 | .04216 | .11715 | .09933 | .12026 | .10228 |
| (23) Local government | .13416 | .04085 | .05100 | .02578 | .06234 | .04840 | .05937 | .04455 |
| (24) Households | .29433 | .70934 | .43293 | .31668 | .60034 | .76674 | .60531 | .71685 |
| Output multipliers | 1.76975 | 2.52187 | 2.25029 | 1.73181 | 2.78742 | 2.72465 | 2.29032 | 3.00387 |
| Direct Household Income | .11444 | .43833 | .19161 | .18577 | .24681 | .46834 | .37494 | .23521 |

Table 2. Continued.

| Sector | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| (1) Silviculture | .00044 | .00079 | .00052 | .00039 | .00026 | .00012 | .00029 | .00421 |
| (2) Logging and log hauling | .00026 | .00048 | .00097 | .00023 | .00016 | .00007 | .00017 | .00259 |
| (3) Sawmills | .00178 | .00335 | .00225 | .00161 | .00113 | .00047 | .00118 | .01927 |
| (4) Other wood processing | .00065 | .00112 | .00071 | .00060 | .00036 | .00019 | .00045 | .00582 |
| (5) Commercial agriculture | .00213 | .00341 | .01710 | .01118 | .00164 | .00114 | .51682 | .00243 |
| (6) Commercial fisherman | .00015 | .00424 | .00973 | .00441 | .00011 | .00006 | .00013 | .00016 |
| (7) Oyster aquaculture | .00011 | .00016 | .00016 | .00237 | .00008 | .00005 | .00010 | .00012 |
| (8) Seafood processing | .00033 | .00769 | .00493 | .01033 | .00025 | .00013 | .00029 | .00036 |
| (9) Formal tourist lodging | 1.00053 | .00060 | .00066 | .00073 | .00043 | .00023 | .00063 | .00066 |
| (10) Informal tourist lodging | .00031 | 1.00035 | .00037 | .00043 | .00026 | .00012 | .00028 | .00034 |
| (11) Sport fishing and marinas | .00073 | .01080 | 1.00079 | .00096 | .00067 | .00027 | .00058 | .00067 |
| (12) Cafes and taverns | .02488 | .02932 | .03267 | 1.03297 | .01862 | .01033 | .02207 | .02800 |
| (13) Service stations | .02152 | .04091 | .03290 | .03137 | 1.01499 | .00704 | .02072 | .02861 |
| (14) Auto and farm implements | .08654 | .08213 | .08788 | .09409 | .05484 | 1.02846 | .08450 | .11012 |
| (15) Manufacturers | .00361 | .00620 | .03510 | .01664 | .00279 | .00204 | 1.09251 | .00416 |
| (16) Construction | .12035 | .23152 | .12790 | .09677 | .05984 | .03073 | .07637 | 1.39088 |
| (17) Retail and wholesale sales | .18207 | .25769 | .30770 | .49217 | .59482 | .07543 | .20611 | .18596 |
| (18) Transportation | .00158 | .00270 | .00414 | .00350 | .00236 | .00186 | .01159 | .00759 |
| (19) Medical services | .02290 | .02579 | .02706 | .03068 | .01721 | .00936 | .02190 | .02679 |
| (20) Other professional services | .04132 | .03443 | .02741 | .03585 | .01961 | .00706 | .02962 | .03601 |
| (21) Financial services | .03809 | .05896 | .01119 | .02089 | .00851 | .00989 | .02161 | .01831 |
| (22) Retail services | .17188 | .21908 | .11129 | .12831 | .06936 | .02932 | .08201 | .08896 |
| (23) Local government | .07379 | .09143 | .04795 | .04409 | .02505 | .01241 | .04291 | .03471 |
| (24) Households | .55263 | .61676 | .65226 | .73680 | .41560 | .21998 | .49167 | .59804 |
| Output multipliers | 2.34857 | 2.7989 | 2.54364 | 2.79736 | 2.30895 | 1.44676 | 2.72451 | 2.59478 |
| Direct Household Income | .26441 | .22567 | .37743 | .41560 | .17605 | .14404 | .14243 | .28548 |

Table 2. Continued.

| Sector | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) |
|----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| (1) Silviculture | .00026 | .00029 | .00047 | .00050 | .00049 | .00038 | .00109 | .00061 |
| (2) Logging and log hauling | .00016 | .00015 | .00028 | .00030 | .00029 | .00031 | .00029 | .00036 |
| (3) Sawmills | .00119 | .00104 | .00193 | .00204 | .00198 | .00147 | .00193 | .00247 |
| (4) Other wood processing | .00028 | .00044 | .00079 | .00082 | .00083 | .00057 | .00079 | .00105 |
| (5) Commercial agriculture | .00126 | .00212 | .00383 | .00360 | .00391 | .00263 | .00504 | .00492 |
| (6) Commercial fishermen | .00009 | .00014 | .00025 | .00026 | .00028 | .00018 | .00022 | .00036 |
| (7) Oyster aquaculture | .00007 | .00011 | .00020 | .00020 | .00022 | .00013 | .00017 | .00028 |
| (8) Seafood processing | .00020 | .00032 | .00057 | .00059 | .00063 | .00038 | .00050 | .00080 |
| (9) Formal tourist lodging | .00042 | .01551 | .00090 | .00093 | .00101 | .00059 | .00079 | .00128 |
| (10) Informal tourist lodging | .00024 | .00031 | .00054 | .00063 | .00061 | .00035 | .00047 | .00077 |
| (11) Sports fishing and marinas | .00083 | .00060 | .00106 | .00110 | .00117 | .00188 | .00093 | .00143 |
| (12) Cafes and taverns | .01525 | .02474 | .04380 | .04547 | .04825 | .02888 | .03800 | .06099 |
| (13) Service stations | .01437 | .02217 | .03566 | .05339 | .03400 | .02819 | .02826 | .04265 |
| (14) Auto and farm implements | .04447 | .07898 | .12314 | .12551 | .13116 | .08630 | .10419 | .16548 |
| (15) Manufacturers | .00212 | .00359 | .00653 | .00599 | .00651 | .00453 | .00930 | .00816 |
| (16) Construction | .04482 | .06835 | .12640 | .13343 | .12859 | .09637 | .12699 | .16165 |
| (17) Retail and wholesale sales | 1.17658 | .14840 | .27084 | .29305 | .30296 | .22183 | .27097 | .34680 |
| (18) Transportation | .00396 | 1.00121 | .00264 | .00221 | .00227 | .00181 | .00272 | .00274 |
| (19) Medical services | .01416 | .02280 | 1.05646 | .04103 | .04449 | .02604 | .03511 | .05625 |
| (20) Other professional services | .01444 | .02124 | .05600 | 1.04472 | .02888 | .03428 | .03236 | .03571 |
| (21) Financial services | .00847 | .01016 | .01758 | .01488 | 1.01591 | .01631 | .01433 | .01981 |
| (22) Retail services | .05418 | .07392 | .14034 | .14034 | .13526 | 1.10986 | .12061 | .14571 |
| (23) Local government | .02136 | .08867 | .05288 | .05139 | .05816 | .06945 | 1.06127 | .06115 |
| (24) Households | .33881 | .55315 | .95440 | .99007 | 1.08269 | .62243 | .82740 | .36948 |
| Output multipliers | 1.75799 | 2.13842 | 2.89749 | 2.95242 | 3.03056 | 2.35514 | 2.68371 | 2.49090 |
| Direct Household Income | .20755 | .34779 | .62889 | .67348 | .77073 | .37292 | .54458 | .01942 |

table.) The business output multipliers are calculated by summing each column in the inverse matrix. The multiplier values are given in the next to last row of Table 2.

The data in Table 2 are also called the Leontief inverse. It is the matrix designated in the previous chapter as the direct/indirect coefficient matrix $(I-A)^{-1}$. In essence, these data are the empirical heart of the model. They establish the necessary input which will be mated with the environmental matrix (developed in the next chapter) to estimate the total direct and indirect environmental impact of specific changes in the level of economic activity.

Table 3 illustrates the direct and indirect relationship between export sales and the total value of goods and services produced in the Tillamook County. Sector 15 (Manufacturers sector), for example, had external sales of \$17,145,000 which generated directly and indirectly \$46,712,000 of local economic activity (\$17,145,000 times the multiplier 2.72451). The total figure accounts for approximately 15.98 percent of the total economic activity of the Tillamook County. That is, the manufacturers sector directly generates 5.86 percent (\$17,145,000) of the economic activity, but indirectly supports an additional 10.11 percent (\$29,567,000) of the total economic activity. A brief summary of the local economy by major export base of the Tillamook County economy in 1973 is given in Table 4. The Table shows the importance, in terms of the economic activity generated

Table 3. Economic sector output multipliers, exports, total output and contribution to the county economy,
Tillamook County, 1973.

| Sector | Output Multipliers | Exports (\$1, 000) | Total Output (\$1000) | % share of Total Output |
|----------------------------------|-----------------------|-----------------------|--------------------------|----------------------------|
| (1) Silviculture | 1.76975 | \$16,228 | \$28,720 | 9.82 |
| (2) Logging and log hauling | 2.52187 | 283 | 714 | .24 |
| (3) Sawmills | 2.25029 | 19,223 | 43,257 | 14.80 |
| (4) Other wood processing | 1.73181 | 30,055 | 52,050 | 17.80 |
| (5) Commercial agriculture | 2.78742 | 4,187 | 11,671 | 3.99 |
| (6) Commercial fisherman | 2.72465 | 267 | 727 | .25 |
| (7) Oyster aquaculture | 2.29032 | 216 | 495 | .17 |
| (8) Seafood processing | 3.00387 | 1,274 | 3,827 | 1.31 |
| (9) Formal tourist lodging | 2.34857 | 2,053 | 4,822 | 1.65 |
| (10) Informal tourist lodging | 2.72989 | 377 | 1,029 | .35 |
| (11) Sport fishing and marinas | 2.54364 | 361 | 918 | .31 |
| (12) Cafes and taverns | 2.79736 | 1,714 | 4,795 | 1.64 |
| (13) Service stations | 2.30895 | 1,961 | 4,528 | 1.55 |
| (14) Auto and farm implements | 1.44676 | 2,024 | 2,928 | 1.00 |
| (15) Manufacturers | 2.72451 | 17,145 | 46,712 | 15.98 |
| (16) Construction | 2.59478 | 2,039 | 5,291 | 1.81 |
| (17) Retail and wholesale sales | 1.75799 | 5,045 | 8,869 | 3.03 |
| (18) Transportation | 2.13842 | 9 | 19 | .01 |
| (19) Medical services | 2.89749 | 355 | 1,029 | .35 |
| (20) Other professional services | 2.95242 | 146 | 431 | .15 |
| (21) Financial services | 3.03056 | 188 | 570 | .19 |
| (22) Retail services | 2.35514 | 1,022 | 2,407 | .82 |
| (23) Local government | 2.68371 | 2,273 | 6,100 | 2.09 |
| (24) Households | 2.49090 | 24,272 | 60,459 | 20.68 |
| Total | | 132,777 | 292,369 | 100 |

Table 4. Major exporting sectors contributions to the county economy, Tillamook County, 1973.

| Sector | % of County Exports | Output Multiplier | Exports (\$1, 000) | Total Output (\$1, 000) | % share total Output |
|-------------------------------------|---------------------|-------------------|--------------------|-------------------------|----------------------|
| (1) Silviculture | 12.2 | 1.76975 | \$ 16,228 | \$ 28,720 | 9.82 |
| (3) Sawmills | 14.5 | 2.25943 | 19,223 | 43,257 | 14.80 |
| (4) Other Wood Processing | <u>22.6</u> | <u>1.73181</u> | <u>30,055</u> | <u>52,050</u> | <u>17.80</u> |
| Subtotal of Wood Products | 49.3 | | 65,506 | 124,027 | 42.42 |
| (5) Commercial Agriculture | 3.2 | 2.78742 | 4,187 | 11,671 | 3.99 |
| (15) Manufacturing (largely Cheese) | <u>12.9</u> | 2.72451 | <u>17,145</u> | <u>46,712</u> | <u>15.98</u> |
| Subtotal for Agriculture Products | 16.1 | | 21,332 | 58,383 | 19.97 |
| (6) Commercial Fisheries | 0.2 | 2.72465 | 267 | 727 | .25 |
| (7) Oyster Aquaculture | 0.2 | 2.29032 | 216 | 495 | .17 |
| (8) Seafood Processing | <u>1.0</u> | 3.00387 | <u>1,274</u> | <u>3,827</u> | <u>1.31</u> |
| Subtotal of Marine Resources | 1.4 | | 1,757 | 5,049 | 1.73 |
| Recreation-Tourism | <u>9.1*</u> | | <u>12,118</u> | <u>26,860</u> | <u>9.19</u> |
| TOTAL | 75.9 | | \$100,713 | \$214,319 | 73.31 |

* Are aggregate figure from sectors 9, 10, 11, 12, 13, 16; 17, 18, 22.

through business output, of the various sectors. For example, wood products firms export 49.3 percent of county exports and generate 42.4 percent, by far the major portion, of the total economic activity in Tillamook County.

Household Income Multipliers

Conceptually, when the sales of an industry increases, the industry will also make a proportional increase in the amount of labor. The model does not allow for substitution of capital for labor. This increase is reflected through the household income multiplier. Termed by some writers as the interindustry income multiplier, it is the total increase in payments to all households per dollar increase in household payments from a given industry.

The income multipliers are listed in column 4, Table 5 for all 24 industry sectors of Tillamook County. Using Manufacturers as an example, the income multiplier implies that the total impact on county households' income would be an estimated increase of \$3.45 of total household income in the county per \$1.00 increase in wages and salaries paid directly by the manufacturing sector. The same method can be used for all 24 industries.

The Manufacturing sector with a \$2,440,000 annual payroll would add more than this amount to the total Tillamook County households' income,

Table 5. Direct and indirect contributions to total household income by sectors, Tillamook County, 1973.

| | Direct income change from Table 1, row 24 (1) | Direct and indirect income change from Table 2, row 24 (2) | Indirect and indirect income change (column 2 - column 1) (3) | Income multi- plier from Appendix * (4) | Exports (\$1, 000) (5) | Direct income (column 5 x column 1) (\$1, 000) (6) | Direct and indirect income (column 5 x column 4) (\$1, 000) (7) | % share of direct income (8) | % share of direct and indirect income Total annual income (9) |
|----------------------------------|--|--|---|--|------------------------------|---|---|---------------------------------------|--|
| (1) Silviculture | .11444 | .29433 | .17989 | 2.57192 | 16,288 | 1,864 | 4,794 | 8.66 | 8.83 |
| (2) Logging and hauling | .43833 | .70934 | .27101 | 1.61828 | 283 | 123 | 201 | .57 | .37 |
| (3) Sawmills | .19161 | .43292 | .24141 | 2.25943 | 19,223 | 3,685 | 8,327 | 17.11 | 15.35 |
| (4) Other wood processing | .18577 | .31668 | .13091 | 1.70469 | 30,055 | 5,583 | 9,518 | 25.92 | 17.54 |
| (5) Commercial agriculture | .24681 | .60531 | .35353 | 2.4320 | 4,187 | 1,033 | 2,513 | 4.80 | 4.63 |
| (6) Commercial fisherman | .46834 | .76674 | .29840 | 1.63714 | 267 | 125 | 207 | .58 | .38 |
| (7) Oyster aquaculture | .37494 | .60531 | .23037 | 1.61442 | 216 | 81 | 131 | .38 | .24 |
| (8) Seafood processing | .23521 | .41685 | .48163 | 3.04770 | 1,274 | 300 | 913 | 1.39 | 1.68 |
| (9) Formal tourist lodging | .26441 | .55263 | .28822 | 2.09005 | 2,053 | 543 | 1,135 | 2.52 | 2.09 |
| (10) Informal tourist lodging | .22567 | .61676 | .39109 | 2.73302 | 377 | 85 | 233 | .39 | .43 |
| (11) Sport fishing and marinas | .37743 | .65226 | .27483 | 1.72816 | 361 | 136 | 235 | .63 | .43 |
| (12) Cafes and taverns | .41560 | .73680 | .32120 | 1.77286 | 1,714 | 712 | 1,263 | 3.31 | 2.33 |
| (13) Service stations | .17605 | .41560 | .23953 | 2.36069 | 1,961 | 345 | 815 | 1.60 | 1.50 |
| (14) Auto and farm implements | .14404 | .21998 | .07544 | 1.52721 | 2,024 | 292 | 445 | 1.36 | .82 |
| (15) Manufacturers | .14243 | .49167 | .34933 | 3.45201 | 17,145 | 2,440 | 8,424 | 11.33 | 15.52 |
| (16) Construction | .28548 | .59804 | .31256 | 2.09486 | 2,039 | 582 | 1,219 | 2.70 | 2.25 |
| (17) Retail and wholesale sales | .20755 | .33881 | .13126 | 1.63243 | 5,045 | 1,047 | 1,709 | 4.86 | 3.15 |
| (18) Transportation | .34779 | .55315 | .20536 | 1.59047 | 9 | 3 | 5 | .01 | .01 |
| (19) Medical services | .62889 | .95440 | .32551 | 1.51759 | 355 | 233 | 339 | 1.04 | .62 |
| (20) Other professional services | .67348 | .99007 | .31659 | 1.47088 | 146 | 98 | 145 | .46 | .27 |
| (21) Financial services | .77073 | 1.08269 | .31196 | 1.40476 | 188 | 145 | 204 | .67 | .38 |
| (22) Retail services | .37292 | .62243 | .24951 | 1.66907 | 1,022 | 381 | 636 | 1.77 | 1.17 |
| (23) Local government | .54458 | .82740 | .28256 | 1.51934 | 2,273 | 1,238 | 1,881 | 5.75 | 3.47 |
| (24) Households | .01945 | .36948 | .35006 | 19.02572 | 24,272 | 472 | 8,973 | 2.19 | 16.54 |
| Total | | | | | 132,777 | 21,546 | 54,264 | 100.0 | 100.0 |

* The income multipliers are calculated by performing a divide of the direct and indirect household-coefficients (Table 2, row 24) by the direct household-coefficients (Table 1, row 24).

$$3.45201 (\$2,440,000) = \$8,424,000$$

This is the estimated direct plus indirect income effect on all household income in Tillamook County.

As Miernyk (1965) mentioned, the greater the degree of interdependence within the economy, or conversely the lesser its dependence on imports, the greater will be direct income change. However, it does not follow that large direct income changes are associated with large multipliers. For example Finances services industry is quite labor intensive while Manufacturers industry is capital intensive. Table 5, column 1, shows a labor intensive industry (Financial services .77073) produces a larger direct income change than one which is capital intensive (Manufacturers .24681). But by the time direct and indirect changes are taken into account, these differences might be eliminated or reversed. Thus the income effects of the capital intensive industry (Manufacturers 3.45) are larger than those of the labor intensive industry (Finances service 1.40) as shown in Table 5. The reasons for this are fairly clear. An industry which uses a great deal of labor but not many other local inputs will generate fewer interactions with other industries than one which utilizes a considerable amount of locally acquired capital equipment and other factors of production. When an industry uses a great deal of local inputs expands its output, the chain reaction will spread this impact throughout many sectors of the economy.

IV. ECONOMIC-ECOLOGIC LINKAGES

In the previous chapter, the input-output matrix for Tillamook County was described. In this chapter, the discussion turns to the second part of the model, the environmental matrix.

The Interindustry Transaction Environmental Table

The Interindustry Transaction Environmental Table which has been constructed for the Tillamook County is shown in Table 6. There is one column for each of the 24 endogenous sectors of the input-output matrix. There are seventeen rows, each row represents either a natural resource input into the Tillamook County economy or an emission from the economy into the environment. The unit of measurement differs between them; however, the unit used is noted in each row.

Source of Data

The data used to construct the Interindustry Transaction Environment Table (Table 6) were obtained from a large number of sources. Unfortunately, the firm survey of Ives' in 1973 did not include questions concerning natural resource use or waste disposal. Later work by Ives (1977) dealt with solid waste in Tillamook County and provides one part of the information needed for the

Table 6. Transactions matrix showing ecologic linkages to Tillamook County economy, 1973.

| Environmental Resources or Emissions | Silviculture | Logging and Log Hauling | Sawmills | Other Wood Processing | Commercial Agriculture | Commercial Fisherman | Oyster Aquaculture | Seafood Processing |
|--|--------------|----------------------------|---------------|--------------------------|---------------------------|-------------------------|-----------------------|-----------------------|
| Particulates (lbs) | - 65, 040 | - 555, 360 | - 322, 400 | - 240, 600 | - 7, 732 | | | |
| Sulfur oxide (lbs) | | | -10, 800 | - 334, 600 | -4, 457 | | | |
| Carbon monoxide (lbs) | -462, 460 | -4, 162, 140 | - 1, 729, 200 | - 418, 000 | -17, 018 | | | |
| Nitrogen oxide (lbs) | - 14, 460 | - 130, 140 | - 209, 200 | - 174, 600 | -47, 899 | | | |
| Total organic (lbs) | - 86, 720 | - 780, 480 | - 49, 800 | - 22, 800 | -10, 409 | | | |
| Domestic water (gal) | | | 1, 417, 500 | 2, 145, 000 | | 411, 600 | 112, 500 | 262, 500 |
| Cooling water (gal) | | | 4, 266, 755 | 8, 999, 910 | | | 1, 286, 750 | 1, 973, 410 |
| Processing water (gal) | | | 8, 533, 320 | 3, 150, 150 | 109, 864, 990 | | 1, 286, 750 | 34, 679, 090 |
| Total water intake (gal) | | | 14, 217, 575 | 14, 295, 060 | 109, 864, 990 | 411, 600 | 2, 686, 000 | 36, 915, 000 |
| Water discharge (gal) | | | -11, 658, 409 | -9, 719, 804 | -93, 511, 620 | | -2, 283, 100 | -29, 532, 500 |
| Five day BOD (lbs) | | | | -6, 442 | -39, 278 | | -23, 230 | -631, 196 |
| Suspended solids (lbs) | | | | -6, 442 | -241, 188 | | -13, 659 | -289, 224 |
| Solid wastes (cu. yds) | - 28, 904 | - 260, 138 | -89, 768 | -44, 122 | -1, 130 | | | -2, 469 |
| Wood (ton) | | | 121, 363 | 50, 467 | | | | |
| Desiel and oil (gal) | | | 2, 310, 000 | 1, 350, 000 | 143, 000 | | | |
| Gas (10 ⁶ BTU) | | | | 126, 000 | | | | |
| Electricity (Kg watt hr) | 45, 840 | 163, 200 | 6, 896, 000 | 1, 989, 000 | 783, 500 | 56, 100 | 51, 580 | 91, 680 |

Table 6. Continued.

| Environmental Resources or Emissions | Formal Tourist Lodging | Informal Tourist Lodging | Sports Fishing and Marinas | Cafes and Taverns | Service Stations | Auto and Farm Implement | Manufacturers | Construction |
|--|------------------------------|--------------------------------|-------------------------------|----------------------|---------------------|-------------------------------|---------------|--------------|
| Particulates (lbs) | -759 | | | -20,471 | -206,220 | | -4,000 | -71,660 |
| Sulfur oxide (lbs) | -6,506 | | | -175,467 | -53,620 | | -1,200 | -7,940 |
| Carbon monoxide (lbs) | -132 | | | -3,557 | -15,075,200 | | -1,500 | -814,840 |
| Nitrogen oxide (lbs) | -1,980 | | | -53,400 | -2,074,180 | | -52,500 | -93,300 |
| Total organic (lbs) | -132 | | | -3,557 | -3,060,160 | | -1,000 | -48,800 |
| Domestic water (gal) | 37,445,990 | 1,795,800 | 192,000 | 74,160,010 | 1,709,990 | 5,519,670 | 750,000 | |
| Cooling water (gal) | | | | | | | 31,199,940 | |
| Processing water (gal) | | | | | | | 64,999,980 | |
| Total water intake (gal) | 37,445,990 | 1,795,800 | 192,000 | 74,160,000 | 1,709,990 | 5,519,670 | 96,949,920 | |
| Water discharge (gal) | -29,956,800 | -1,436,640 | -163,200 | 60,811,200 | 1,282,500 | -4,415,730 | -77,559,940 | |
| Five day BOD (lbs) | | | | | | | -4,103 | |
| Suspended solids (lbs) | | | | | | | -5,969 | |
| Solid wastes (cu. yds) | -2,696 | -3,412 | | -4,049 | | | -1,429 | |
| Wood (ton) | | | | | | | | |
| Desiel and oil (gal) | 33,000 | | | 890,000 | 13,860,000 | | 500,000 | |
| Gas (10 BTU) | | | | | | | 165,316 | 414,300 |
| Electricity (Kg watt hr) | 17,476,000 | 143,250 | 91,680 | 11,404,810 | 1,009,000 | 155,800 | 21,000,000 | 481,320 |

Table 6. Continued

| Environmental Resources or Emissions | Retail and Wholesale | Transportation | Medical Services | Other Professional Services | Financial Services | Retail Services | Local Government | Households |
|--|-------------------------|----------------|---------------------|-----------------------------------|-----------------------|--------------------|---------------------|----------------|
| Particulates (lbs) | | -56, 180 | -1, 012 | | | -83, 800 | -7, 407 | -5, 220 |
| Sulfur oxide (lbs) | | -65, 400 | -8, 675 | | | -5, 200 | -63, 484 | -84, 100 |
| Carbon monoxide (lbs) | | -1, 383, 100 | -176 | | | -445, 800 | -1, 287 | -10, 420 |
| Nitrogen oxide (lbs) | | -703, 200 | -2, 640 | | | -31, 400 | -19, 320 | -37, 540 |
| Total organic (lbs) | | -284, 840 | -176 | | | -304, 800 | -1, 287 | -2, 080 |
| Domestic water (gal) | 17, 700, 000 | | 8, 401, 100 | 1, 055, 990 | 5, 510, 560 | 13, 348, 130 | 17, 308, 470 | 591, 299, 620 |
| Cooling water (gal) | | | | | | | | |
| Processing water (gal) | | | | | | | | |
| Total water intake (gal) | 17, 700, 000 | | 8, 401, 100 | 1, 055, 990 | 5, 510, 560 | 13, 348, 130 | 17, 308, 470 | 591, 299, 620 |
| Water discharge (gal) | | | -6, 720, 010 | -860, 620 | -4, 518, 670 | -11, 212, 490 | -13, 846, 780 | -473, 039, 530 |
| Five day BOD (lbs) | | | | | | | | |
| Suspended solids (lbs) | | | | | | | | |
| Solid wastes (cu. yds) | | -10 | | | | | | -21, 812 |
| Wood (ton) | | | | | | | | 1, 067 |
| Desiel and oil (gal) | | 1, 729, 000 | 44, 000 | | | | 322, 000 | 2, 086, 000 |
| Gas (10 ⁶ BTU) | | | | | | | | |
| Electricity (Kg watt hr) | 8, 160, 000 | 63, 030 | 6, 120, 000 | 1, 344, 600 | 153, 000 | 6, 985, 100 | 16, 960, 000 | 143, 401, 920 |

interindustry transaction environmental table.

However, the interindustry transaction environmental table has been done with assistance from various knowledgeable persons. Atmospheric emissions information was received from David W. St. Louis, supervisor of the Air and Noise Program, Salem-North Coast Region, Department of Environmental Quality, State of Oregon. Information data about non-market resource inputs and residuals of productive process of manufacturers, especially the Tillamook County Creamery Association, was provided by Roy Stein, plant superintendent. A major portion of the data on water use was developed by Sylvia L. Fisher, Office of the Manager, Tillamook Water Commission; Dennis Sheldow, City Recorder, Garibaldi; and a publication of the Department of Environmental Quality, "Oregon Administrative Rule," Chapter 340, Division 7, 1976. Liquid waste information data mainly came from Murray M. Tilson, Supervisor North Coast Branch, Department of Environmental Quality, State of Oregon, and Michael R. Soderquest, Environmental Associates, Inc., Corvallis, Oregon. Solid waste information data came mainly from Edward Ives, Department of Agricultural Resource and Economics, Oregon State University; Larry E. Watson, County Engineering Section, Tillamook County, and Robert O. McMahon, Associate Professor of Forest Products Economics, Oregon State University. Electricity use information was provided by Bruce

Stacy, power use advisor, Tillamook P. U. D.

A critical examination of Table 6 will reveal that there are little or no data in many sectors which one would expect to have important linkages to the environment. For example, commercial fishermen in Tillamook County surely produce some emission outputs into the environment, but it was not possible to obtain data for this and other sectors because no information from the firm survey is available nor were there published sources available. Because there are cases where blank cells exist that should have numbers that are presently not available, there will be a bias introduced into the estimates of the environmental impact of economic activities and this impact will be understated.

Underlying Assumptions

Since almost all of the interindustry transaction environmental data in Table 6 had to be computed from secondary data, it was necessary to make certain assumptions to perform the needed calculations. The most important of these, at least conceptually, is the assumption of linearity. Because of the nature of the input-output model, it is necessary to assume that the same amount of natural resource usage or environmental emission per dollar of gross output will occur at one dollar of gross output or one million dollars for each specific process. Certainly this assumption of linearity

relating to environmental linkages is not always realistic. For example, one would hardly expect miles of automobile use to increase proportionately with household incomes. Consequently, automobile exhaust emissions from private households will not be a linear function of gross household income. To minimize the problems arising from the assumption of linearity, the transactions related to private automobile emissions are much more likely to be linearly associated with gasoline sales than household income. In general, the convention was to charge a linkage to the sector where linearity was most likely to be realistic, rather than to the sector directly responsible for a specific emission (Laurent and Hite, pp. 57-60).

Other assumptions of a less general nature were also needed. Households were assumed to drive each automobile owned about 5,000 miles per year locally. Commercial truck transportation was allocated between local and long distance hauls based on information obtained from the Department of Transportation, State of Oregon.

The Environmental Matrix

The direct interaction of the natural and economic matrix is represented in Table 7. Rows indicate non-market resource inputs and residuals of productive processes that are taken from or returned to the environment. No restriction on the number of rows allocated

Table 7. Direct ecologic linkages to Tillamook County economy: resource inputs and waste outputs per dollar of gross output.

| Environmental Resources or Emissions | Silviculture | Logging and Log Hauling | Sawmills | Other Wood Processing | Commercial Agriculture | Commercial Fisherman | Oyster Aquaculture | Seafood Processing |
|--|--------------|----------------------------|----------|--------------------------|---------------------------|-------------------------|-----------------------|-----------------------|
| Particulates (lbs) | -.002728 | -.138514 | -.016713 | -.007994 | -.000602 | | | |
| Sulfur oxide (lbs) | | | -.000560 | -.011118 | -.000347 | | | |
| Carbon monoxide (lbs) | -.019398 | -.984889 | -.089642 | -.013889 | -.001326 | | | |
| Nitrogen oxide (lbs) | -.000607 | -.030795 | -.010845 | -.005801 | -.003732 | | | |
| Total organic (lbs) | -.003638 | -.184685 | -.002582 | -.000758 | -.000811 | | | |
| Domestic water (gal) | .043886 | | .073484 | .071272 | | .491756 | .487013 | .204122 |
| Cooling water (gal) | | | .221190 | .299040 | | | 5.570346 | 1.534533 |
| Processing water (gal) | | | .442370 | .104670 | 8.559130 | | 5.570346 | 26.966633 |
| Total water intake (gal) | | | .737044 | .474982 | 8.559130 | .491756 | 11.627705 | 28.705288 |
| Water discharge (gal) | | | -.604376 | -.322960 | -7.285106 | | -9.883550 | 22.964619 |
| Five day BOD (lbs) | | | | -.000214 | -.003060 | | -.057273 | -.490821 |
| Suspended solids (lbs) | | | | -.000214 | .018790 | | -.059130 | -.224902 |
| Solid wastes (cu. yds) | -.001212 | -.061557 | -.004654 | -.001466 | -.000088 | | | -.001920 |
| Wood (ton) | | | .006687 | .001423 | | | | |
| Diesel and oil (gal) | | | .119751 | .044856 | .011141 | | | |
| Gas (10 BTU) | | | | .004187 | | | | |
| Electricity (Kg watt hr) | .01923 | .038618 | .357491 | .066089 | .061039 | .067025 | .223290 | .071281 |

Table 7. Continued.

| Environmental Resources or Emissions | Formal Tourist Lodging | Informal Tourist Lodging | Sports Fishing and Marinas | Cafe and Taverns | Service Stations | Auto and Farm Implement | Manufacturers | Construction |
|--|------------------------------|--------------------------------|-------------------------------|---------------------|---------------------|----------------------------|---------------|--------------|
| Particulates (lbs) | -.000350 | | | -.003729 | -.039130 | | -.000214 | -.006192 |
| Sulfur oxide (lbs) | -.002997 | | | -.031967 | -.010190 | | -.000064 | -.000686 |
| Carbon monoxide (lbs) | -.000061 | | | -.000648 | -2.864918 | | -.000080 | -.070409 |
| Nitrogen oxide (lbs) | -.000912 | | | -.009729 | -.394181 | | -.002815 | -.008062 |
| Total organic (lbs) | -.000061 | | | -.000648 | -.581558 | | -.000054 | -.004217 |
| Domestic water (gal) | 17.248268 | 4.245390 | .435474 | 13.510660 | .324970 | .445998 | .040210 | |
| Cooling water (gal) | | | | | | | 1.672740 | |
| Processing water (gal) | | | | | | | 3.484880 | |
| Total water intake (gal) | 17.248268 | 4.245390 | .435374 | 13.510660 | .324970 | .445998 | 5.197830 | |
| Water discharge (gal) | 13.798618 | 3.396313 | .370068 | 11.078739 | .243729 | .356798 | 4.158264 | |
| Five day BOD (lbs) | | | | | | | -.000220 | |
| Suspended solids (lbs) | | | | | | | -.000320 | |
| Solid wastes (cu. yds) | -.001242 | -.008066 | | -.000077 | | | -.000077 | |
| Wood (ton) | | | | | | | | |
| Diesel and oil (gal) | .015200 | | | .162142 | 2.633979 | | .026807 | .035799 |
| Gas (10 ⁶ BTU) | | | | | | | .008863 | |
| Electricity (Kg watt hr) | 8.049747 | .338652 | .207891 | 2.077610 | .191752 | .012589 | 1.125885 | .041590 |

Table 7, Continued.

| Environmental Resources or Emissions | Retail and Wholesale | Transportation | Mechanical Services | Other Professional Services | Financial Services | Retail Services | Local Government | Households |
|--|-------------------------|----------------|------------------------|-----------------------------------|-----------------------|--------------------|---------------------|------------|
| Particulates (lbs) | | -.065536 | -.000273 | | | -.006412 | -.000701 | -.000063 |
| Sulfur oxide (lbs) | | -.075433 | -.002336 | | | -.000398 | -.006005 | -.001011 |
| Carbon monoxide (lbs) | | -1.595271 | -.000047 | | | -.034109 | -.000122 | -.000125 |
| Nitrogen oxide (lbs) | | -.811096 | -.000711 | | | -.002404 | -.001827 | -.000451 |
| Total organic (lbs) | | -.328535 | -.000047 | | | -.023321 | -.000122 | -.000025 |
| Domestic water (gal) | .580918 | | 2.262618 | .351879 | 2.965856 | 1.021280 | 1.637199 | 7.108590 |
| Cooling water (gal) | | | | | | | | |
| Processing water (gal) | | | | | | | | |
| Total water intake (gal) | .580918 | | 2.262618 | .351879 | 2.965856 | 1.021280 | 1.637199 | 7.108590 |
| Water discharge (gal) | | | 1.809860 | .286778 | 2.432008 | .857880 | 1.060584 | 5.686870 |
| Five day BOD (lbs) | | | | | | | | .116692 |
| Suspended solids (lbs) | | | | | | | | |
| Solid wastes (cu. yds) | | -.000012 | | | | | | -.000262 |
| Wood (ton) | | | | | | | | .000013 |
| Diesel and oil (gal) | | 1.994233 | .011850 | | | | .030458 | .025078 |
| Gas (10 ⁶ BTU) | | | | | | | | |
| Electricity (Kg watt hr) | .267813 | .072699 | 1.648262 | .448051 | .823466 | .535238 | 1.604258 | 1.723974 |

to each process exists. The analysis can proceed regardless of the number of rows, unit of measure, and presence of blanks in the matrix. Inputs to the economic sectors carry a positive sign and the residuals flowing from the economy are indicated by minuses.

Waste Treatment Possibilities

The environmental matrix, Table 7, and interindustry transaction environmental table, Table 6, are based on estimates of current intakes or discharges. One perhaps should have several different levels of treatment for different communities, but such data are difficult to obtain because in any given locale, such as Tillamook, there are considerable differences prevailing in the levels of treatment.

....the input model itself, and the assumption of static technology which it requires, also poses a problem to the incorporation of waste treatment possibilities into the environmental matrix. Each column in the input-output table indicates the current purchases of the firms in that sector, given the in-place technical processes. Even if it were practical to build environmental matrices for alternative levels of treatment, one would have difficulty in combining the two matrices to complete the model. That is, an input-output model based on current practices would require changes in purchasing patterns for each alternative level of treatment.... Ideally, one would desire various sets of input-output and environmental matrices based on alternative levels for each of the types of discharges. If such information were available, one could then use the technique of comparative statistics to analyze the economic activity, but also changing the level of treatment (Laurent and Hite, 1971, p. 60).

At present, these extensive data are not available. As a result, the next chapter is restricted to observation of changes in the level of various economic activities on pecuniary income and on the environment in Tillamook County.

V. THE ECONOMIC-ECOLOGIC MODEL AND ENVIRONMENTAL PLANNING

The two previous chapters report the utilization of an economic input-output model and described the building of an ecologic matrix for Tillamook County. This chapter is involved with mating the two matrices to complete the economic-ecologic model, and with describing the economic versus the ecologic impacts in the local community.

Direct and Indirect Environmental Linkages

Utilizing the inverse matrix of the input-output model (Table 2) and the environmental matrix (Table 7), both the direct and indirect environmental impacts of economic activity in Tillamook County may be estimated. These impacts are shown in Table 8. Table 8 was developed by post-multiplying the environmental matrix by the inverse matrix of the I-0 model. The result of this operation are measures of the direct and indirect changes in uses of environmental goods (ecologic imports from and economic exports to the ecologic system) from an increase of one dollar in the business output of the twenty-four sectors in the input-output model. It is these measures which indicate the impacts on Tillamook County due to goods and services exported, tax monies for the operation of local units of government from state and federal government agencies or in the form of

Table 8. Coefficients of direct and indirect environmental impacts per one dollar of business output, Tillamook County, 1973.

| Environmental Resources or Emissions | Silviculture | Logging and Log Hauling | Sawmills | Other Wood Processing | Commercial Agriculture | Commercial Fisherman | Oyster Aquaculture | Seafood Processing |
|--|--------------|----------------------------|----------|--------------------------|---------------------------|-------------------------|-----------------------|-----------------------|
| Particulates (lbs) | .006208 | .151538 | .036162 | .016489 | .004979 | .004041 | .002928 | .005331 |
| Sulfur oxide (lbs) | .001885 | .002665 | .002371 | .012444 | .004462 | .00321 | .002463 | .005144 |
| Carbon monoxide (lbs) | .073399 | 1.157973 | .272082 | .113737 | .133790 | .182365 | .112084 | .184494 |
| Nitrogen oxide (lbs) | .007811 | .048739 | .024158 | .015059 | .036657 | .027126 | .016520 | .044721 |
| Total organic (lbs) | .014056 | .219415 | .037949 | .020499 | .028772 | .037605 | .023985 | .038263 |
| Domestic water (gal) | 2.70620 | 5.99403 | 3.782272 | 2.733917 | 5.313139 | 7.076800 | 5.652942 | 6.54192 |
| Cooling water (gal) | .004946 | .011010 | .232553 | .305268 | .323747 | .552646 | 5.61022 | .161832 |
| Processing water (gal) | .025203 | .058447 | .487177 | .128339 | 10.02381 | .579239 | 5.64575 | 27.706549 |
| Total water intake (gal) | 2.69239 | 6.06340 | 4.493840 | 3.16532 | 15.66070 | 7.71129 | 16.90870 | 35.86470 |
| Water discharge (gal) | 2.08559 | 4.73704 | 3.53554 | 2.43102 | 12.86540 | 5.62109 | 14.01420 | 28.41058 |
| Five day BOD (lbs) | .034442 | .082999 | .056576 | .003727 | .073618 | .097634 | .128425 | .596157 |
| Suspended solids (lbs) | .000070 | .000163 | .000100 | .000284 | .020656 | .003897 | .059990 | .230520 |
| Solid wastes (cu. yds) | .002150 | .066337 | .012598 | .004739 | .000297 | .000266 | .000200 | .002184 |
| Wood (ton) | .000014 | .000019 | .006840 | .001442 | .000019 | .000021 | .000016 | .000020 |
| Diesel and oil (gas) | .047789 | .112396 | .187881 | .099524 | .166022 | .190186 | .119500 | .205830 |
| Gas (10 ⁶ BTU) | .000023 | .000051 | .000029 | .004233 | .001709 | .000151 | .000036 | .000098 |
| Electricity (Kg watt hr) | .857297 | 1.61747 | 1.379692 | .774304 | 1.73830 | 1.82818 | 1.62264 | 1.73228 |

Table 8. Continued.

| Environmental Resources or Emissions | Formal Tourist Lodging | Informal Tourist Lodging | Sport Fishing and Marinas | Cafe and Taverns | Service Stations | Auto and Farm Implements | Manufacturers | Construction |
|--|------------------------------|--------------------------------|---------------------------------|---------------------|---------------------|-----------------------------|---------------|--------------|
| Particulates (lbs) | .003403 | .004972 | .003466 | .006892 | .040851 | .000860 | .003311 | .011715 |
| Sulfur oxide (lbs) | .005347 | .003054 | .002854 | .034818 | .011802 | .000898 | .002939 | .003703 |
| Carbon monoxide (lbs) | .079103 | .146178 | .114993 | .107807 | 2.918546 | .026462 | .087198 | .199593 |
| Nitrogen oxide (lbs) | .012750 | .021543 | .018571 | .026892 | .403115 | .004854 | .023944 | .029832 |
| Total organic (lbs) | .017705 | .030910 | .023879 | .023545 | .592983 | .005550 | .018645 | .027663 |
| Domestic water (gal) | 22.151152 | 9.865048 | 6.05917 | 19.9003 | 4.097843 | 2.316371 | 4.29212 | 5.08671 |
| Cooling water (gal) | .007736 | .024136 | .067865 | .057407 | .0058 | .004038 | 1.82885 | .014196 |
| Processing water (gal) | .040627 | .260611 | .403515 | .446214 | .031498 | .020953 | 8.239765 | .054892 |
| Total water intake (gal) | 22.2000 | 10.149802 | 6.530436 | 20.4039 | 4.13530 | 2.34136 | 14.360639 | 5.15561 |
| Water discharge (gal) | 17.6738 | 7.99725 | 5.10857 | 16.3732 | 3.01827 | 1.83994 | 11.6187 | 4.04247 |
| Five day BOD (lbs) | .064662 | .075651 | .078601 | .091224 | .048269 | .025744 | .059344 | .069980 |
| Suspended solids (lbs) | .000121 | .001805 | .001451 | .002679 | .000093 | .000054 | .010131 | .000137 |
| Solid wastes (cu. yds) | .001419 | .008297 | .000263 | .000032 | .000013 | .000067 | .000081 | .000426 |
| Wood (ton) | .000019 | .000032 | .000024 | .000021 | .000013 | .000006 | .000015 | .000145 |
| Diesel and oil (ga) | .100115 | .145405 | .124392 | .281532 | 2.69498 | .031182 | .133146 | .163929 |
| Gas (10 ⁶ BTU) | .000035 | .000060 | .000314 | .000150 | .000026 | .000019 | .009685 | .000061 |
| Electricity (Kg watt hr) | 9.420718 | 1.93751 | 1.746368 | 3.81075 | 1.24141 | .503519 | 2.405014 | 1.400800 |

Table 8. Continued.

| Environmental Resources or Emissions | Retail and Wholesale | Transportation | Mechanical Services | Other Professional Services | Financial Services | Retail Services | Local Government | Households |
|--|-------------------------|----------------|------------------------|-----------------------------------|-----------------------|--------------------|---------------------|------------|
| Particulates (lbs) | .001591 | .067626 | .003883 | .004327 | .003529 | .009213 | .003878 | .004262 |
| Sulfur oxide (lbs) | .001495 | .077815 | .005870 | .003731 | .003765 | .002973 | .009150 | .004662 |
| Carbon monoxide (lbs) | .052834 | 1.668402 | .120764 | .171331 | .115367 | .128879 | .099099 | .143754 |
| Nitrogen oxide (lbs) | .009754 | .822267 | .019333 | .025328 | .017770 | .016794 | .017445 | .022139 |
| Total organic (lbs) | .011169 | .343917 | .025587 | .035737 | .024348 | .043393 | .020917 | .029950 |
| Domestic water (gal) | 3.483976 | 4.973004 | 10.3115 | 8.64785 | 11.9726 | 6.37105 | 8.61915 | 11.3228 |
| Cooling water (gal) | .004570 | .007474 | .013525 | .012733 | .013743 | .009350 | .017983 | .017256 |
| Processing water (gal) | .024521 | .040512 | .072828 | .696870 | .075342 | .049879 | .090711 | .094737 |
| Total water intake (gal) | 3.51314 | 5.02228 | 10.3978 | 8.73024 | 12.0616 | 6.43027 | 8.72772 | 11.4347 |
| Water discharge (gal) | 2.26564 | 3.93776 | 8.19839 | 6.86034 | 9.57414 | 5.07883 | 6.60978 | 8.99666 |
| Five day BOD (lbs) | .039644 | .064720 | .111678 | .115847 | .126677 | .072836 | .096821 | .160231 |
| Suspended solids (lbs) | .000074 | .000120 | .000214 | .000214 | .000230 | .000144 | .000220 | .000291 |
| Solid wastes (cu. yds) | .000110 | .000197 | .000289 | .000301 | .000325 | .000197 | .000256 | .000410 |
| Wood (ton) | .000013 | .000015 | .000026 | .000026 | .000028 | .000019 | .000025 | .000036 |
| Diesel and oil (gal) | .059387 | 2.07885 | .1493406 | .184550 | .136472 | .104426 | .144649 | .170988 |
| Gas (10 ⁶ BTU) | .000020 | .000034 | .000061 | .000057 | .000061 | .000042 | .000086 | .000077 |
| Electricity (Kg watt hr) | 1.04300 | 1.49260 | 3.77970 | 2.618613 | 3.167217 | 1.99146 | 3.45979 | 2.92029 |

transfer payments to households.

One of the most important aspects of Table 8 is that there is an entry in every cell. Even those sectors which did not show direct ecologic linkages in Table 7, show linkages in Table 8. This results from the economic interdependence among sectors in the economy. A given sector's activities may have little or no direct effect on the environment; however, it must purchase inputs from other sectors, some of which do draw directly upon environmental resources. In this sense the given sector, by causing increases in the production of supplying sectors, may indirectly require use of environmental resources. Laurent and Hite (1971) gave a good example: the purchase and use of additional air conditioners due to increases in household income may appear to have no effect on the natural environment. However, through the use of additional electricity, this may result in increased levels of air or thermal pollution many miles away, where the electric energy is generated. Table 8 demonstrates that all economic sectors in Tillamook County have ecologic linkages and are responsible for some level of natural environmental resource usage.

Atmospheric Emissions

Environmental impact through atmospheric emissions of particulates, sulfur dioxide, carbon monoxide, nitrogen oxides

and total organics appear to result from economic activity in most sectors of the Tillamook County economy (see Table 8). On the basis of the measures used in Table 8 the operations of the logging and log hauling sector result in the largest emission of particulates: .152 pounds of particulate matter per dollar delivery to final demand. Transportation and service stations deliveries to final demand account for .068 lbs. and .041 lbs., respectively. Among those sectors for which no direct particulate linkage could be estimated (see Table 7) seafood processing showed the largest indirect linkage.

Sulfur oxides emission accounted for the largest emission, .078 lbs. per dollar delivery to final demand resulting from the operations of transportation. Cafe and taverns, other wood processing and service stations deliveries to final demand account for .035 lbs., .0124 lbs., and .0118 lbs of sulfur oxides, respectively. Among those sectors for which no direct sulfur oxide linkage could be estimated (see Table 7) again seafood processing showed the largest indirect linkage.

Carbon monoxide emissions were allocated to only one sector, service stations. From an engineering viewpoint, transportation should also have a carbon monoxide link. Passenger cars, buses, and trucks annual mileage was estimated by the Department of Transportation, about 180 million miles totally traveled by passenger cars, buses and trucks around Tillamook County. About 0.87 percent

of truck ton miles or 9.3 million miles traveled and used about 1.73 million gallons of fuel by heavy trucks. Comparison with passenger cars which traveled around Tillamook County, including in county, in state and out of state, totaled about 129 million miles and consumed about 14 million gallons of fuel. Motor vehicle emissions were attributed to service stations and the transportation sector rather than households or other economic sectors. Service stations showed the largest emissions of carbon monoxide, 2.92 lbs. of carbon monoxide per dollar delivery to final demand. Transportation and logging and log hauling deliveries to final demand account for 1.67 lbs. and 1.16 lbs., respectively.

Nitrogen oxides emissions were largest from the operation of the transportation sector, 0.822 lbs. of nitrogen oxides matter per dollar delivery to final demand. Service stations and logging and log hauling accounted for .40 lbs. and .05 lbs. of nitrogen oxide respectively.

Total organic emissions were accounted for in a manner identical to carbon monoxide. Service stations and transportation were again demonstrated to be leading contributors to generation of atmospheric pollutants. Service stations and transportation were estimated to be responsible for .60 and .34 lbs., respectively per final demand dollar.

Water Directed Emissions

Public concern for the present and future quality of water resources is based on man's personal, industrial and frequently on the aesthetic needs of preserved aquatic life. Two specific residuals of productive processes biochemical oxygen demand (BOD) and suspended solids were used to account for water emissions as well as the quasi-residual water discharge.

BOD has on occasion been used to monitor changes in water quality. Although COD (chemical oxygen demand) and coliforms also play important roles in monitoring changes in water quality, BOD still remains a key target of scientific measurement and public concern. Direct and indirect linkages show, in Table 8, that seafood processing, is by far, the largest BOD loading sector, estimated at .59 lbs. per final demand dollars. At the time of the analysis, the seafood processing sector in the county was being monitored to determine the magnitude of certain residuals of concern to the Environmental Protection Agency, this information may assist a subsequent study.

Direct suspended solids linkages were developed for five sectors; other wood processing, commercial agriculture, oyster aquaculture, seafood processing, and manufacturing. The total residuals, in Table 8, reveal that seafood processing (.231 lbs.) is the major discharger of suspended solids per dollar of output.

Oyster aquaculture and commercial agriculture are ranked second (.061 lbs.) and third (.021 lbs.) respectively.

Water Inputs

Tillamook County economy includes sectors utilizing municipally and privately provided water inputs. Sectors such as commercial agriculture draw water from rainfall, rivers, as well as public water systems. The nature of productive processes such as seafood processing and manufacturing require municipally provided potable water. Therefore, one key water using sector obtains rights to water inputs via a quasi-market while others appropriate water without the use of any market. Regardless of the method of obtaining the water, the available data permitted accounting for water inputs as domestic, cooling, or processing uses.

Domestic water is the first of water inputs listed in Table 8. Domestic water is used in drinking, washing, flushing and consuming in the household, commercial and industry. Formal tourist lodging used (22.2 gals.) and cafe and taverns (19.8 gals.) per dollar of business and rank at the top of domestic water using sectors. Financial service (12.0 gals.) and household (11.3 gals.) are the third and fourth ranked places, respectively.

Water use for industrial cooling was estimated to be directly linked to sawmills, other wood processing, oyster aquaculture,

seafood processing and manufacturing. Oyster aquaculture (5.61022 gals.) and manufacturing (1.8 gals.) rank at the top among cooling water users, after allowing for indirect use by all sectors. Among those sectors for which no direct water cooling users linkages could be estimated (see Table 6) commercial fishermen show the largest indirect linkage.

The processing water coefficients in Tables 7 and 8 are subject to becoming dated very rapidly. The speed of change in process water utilization will depend on industry initiated changes in technology and process changes imposed by water resource managers. Table 8 coefficients for processing water showed seafood processing (27.7 gals.), commercial agriculture (10.0 gals.) and manufacturers (8.2 gals.) per dollar of sales are the top ranking sectors.

Water intake coefficients were developed by summing up domestic, cooling and process water altogether. Seafood processing (35.8 gals.) and formal tourist lodging (22.2 gals.) were at the top of all sectors with regards to water intake.

Solid Waste

Solid waste or refuse can be considered to be anything in solid or semi-solid form which any individual, commercial operation, public body, or industry discards. All of this material must be either converted to some further use or disposed of.

Tillamook County generates approximately 8,000 to 10,000 tons of solid waste annually. This does not include some illegal roadside disposals. Several categories of special wastes such as discarded autos, tires, appliances, etc., pose problems because there is not a coordinated plan for their disposal. The recreation-tourism sector presents one of the greatest challenges for solid waste management problem during the peak load season in July and August.

Elements of Table 8 reveal the distribution of responsibility for generation of solid waste (cu. yds.) among all sectors depicted in Tillamook County. Logging and log hauling (.066 cu. yds.) rank first in solid waste generation; sawmills (.013 cu. yds.) and informal tourist lodging (.008 cu. yds.) are distant second and third generators respectively.

Energy

Darmstader has made an interesting observation about energy.

To quote:

Economic history attests to the critical role played by the consumption of inanimate energy in advancing the material well being of mankind--both by providing an essential input into economic growth and by satisfying a wide range of wants made possible by the resultant increases in real income. The Industrial Revolution and the growth of industry in the nineteenth century are almost synonymous with the significant contribution of coal to development of the iron and steel industry, to railways, and to factory mechanization. In the twentieth century, electrification and motorized transport, while

reshaping society in ways which we know produced also serious damaging effects, nonetheless served to support this historic process and, on balance, to step up tangible economic progress. And even as one ponders the potentially harmful environmental consequences of expanding levels of energy consumption in the years ahead, it is important to note that, quite apart from conventional applications, energy resources may in fact have to be increasingly deployed to deal with pressing environmental and other problems in the United States and around the world. For example, materials recycling and waste management, minerals extraction, water desalination (Ridher, ed. 1972, p. 107).

Energy resources on earth include tidal energy, nuclear energy, the heat of the earth's core and so on. In this research energy source concern is with wood, oil and diesel, gas, and electricity from hydroelectric power.

Woods and Residues

The United Nations (1971) reported that, in 1969, 43 percent of the wood cut was for fuel, and 34 percent of the world's round wood production was for sawlogs, veneer logs, and railroad ties. Much variation of roundwood use for fuel occurred among various countries. Corder (1973) reported the more industrial countries use less and the less industrial countries used more of their roundwood for fuel.⁸ In 1952, the latest year for which we have complete

⁸ In 1969, Latin American countries used 85%, Africa, 89%, Mainland China, 77%, Western Europe, 20%, and the United States only 6%.

national statistics for roundwood and residues, the Forest Service (1958) reports that 25 percent of the timber output of the highly industrialized United States was used for fuel. The amount of wood used for fuel was greater than that for lumber.

However, the quantity of wood burned for fuel in this country has been decreasing continually since the late 1800's. Sixteen percent of the roundwood cut in 1952 was for fuel wood but, in 1969, it was only 6 percent. Reasons for the decrease are easy to find. Increasing value for other uses of roundwood and expanding uses of wood residues for pulp and board manufacture have been major reasons.

Corder (1973) reported that fuelwood consumption in the U.S. reached a peak of about 140 million cords in 1875 and has declined steadily to about 40 million cords in 1970. Fuelwood now accounts for about 1 percent of the national use of energy. Schurr (1960) reported that more than 90 percent of the 100 million cords of firewood consumed in 1850 was used domestically for heating and cooking, and about 75 percent of the total was burned in open fireplaces. An American family in the 1850's used about 18 cords of wood per year for home heating. As recently as 1940, 20 percent of occupied dwellings used wood fuel central heating or cooking, but this dropped to about 10 percent by 1950. A further decrease in domestic use of wood fuel has occurred since 1960. However, one domestic use of

wood fuel has not declined. Stanford Research Institute (1954) reported 14 million cords of wood used in fireplaces in 1950 and projected use of 17 million cords in 1975.

Although coal and oil replaced wood for rail and water transportation in this country at about the turn of the century, wood fuel has continued to supply heat and power for many industrial, commercial, institutional, and utility operations. In Oregon, 32 forest industry operations generated electricity with wood and bark residues in 1942 and 21 in 1968, according to reports issued by the Federal Power Commission. Installed generating capacity of these plants was about 90 megawatts. Many more forest industry companies were using wood and bark residues to produce steam, mainly for drying lumber and veneer (Corder, 1973, p. 1).

Corder studied and reported on wood-bark residuals used as fuel.

Most logs harvested in this country go into the manufacture of lumber, plywood or pulp. Less than half the volume of a log ends up as lumber or plywood; the rest is such items as bark, slabs, edgings, sawdust, shavings, veneer and plywood trim, cores, and sander dust. Although more of this residue, in recent years, has been used as a raw material for pulp and composition board manufacture, large amounts still are available for other uses, such as fuel. In Oregon, most of the raw material for pulp plants is obtained from wood residues of sawmills and plywood plants, but, in the eastern part of the country, much pulp is made from roundwood. Before processing, the bark normally is removed from the roundwood and remains as residue. A variety of uses can be made of these wood and bark residues. If a plant

does not have sufficient uses and markets for residues, however, then it has disposal problems. Use as fuel could be a solution (1973), pp. 4-5).

The Tillamook County economy includes wood as an energy source as the fuel linkages were developed for three sectors: sawmills, other wood processing and households. Indirect linkages were shown to be numerous since all sectors have entries in the wood row. The total wood shown in Table 8 and rankings in Table 9 reveal that sawmills (.0064 dry ton) and other wood processing (.0017 dry ton) are major users of wood as fuel. Households, with direct use of wood in the fireplace, drop from the top ten after allowance for indirect use of wood is generated within the county.

Oil and Diesel

Oil accounted for one-third of U.S. energy use during and immediately after World War II, almost reaching a 45 percent share in 1960. Its subsequent percentage place has been one of relative stability. In this research electric utilities are treated as consuming sectors for oil and diesel and have been separated from utility sales to their customers. These sales largely represent secondary energy use based on the primary fuel (oil and diesel).

Oil and diesel use for fuel was estimated to be directly linked to sawmills, other wood processing, commercial agriculture, formal tourist lodging, cafe and taverns, service stations, manufacturers,

construction, transportation, medical service, local government, and households. Service stations (2.7 gals.) and transportation (2.1 gals.) retain top rank among oil and diesel users after allowance for indirect use by all sectors. Among those sectors for which no direct linkage could be estimated (see Table 6), seafood processing and commercial fishermen showed the largest indirect linkage.

Gas

During the past two decades, the use of natural gas has made the most rapid strides in expanded use among the basic energy sources. With an average annual growth rate of over seven percent, the natural gas share of overall energy consumption rose from around 14 percent after World War II to one-third by 1970.

Direct gas users data were developed for two sectors: other wood processing and manufacturers. Manufacturers ($.01010^6$ BTU) per dollar retains top rank among gas users after allowance for indirect use by all sectors.

Electricity

Historically, hydroelectric and steam electric plants have been the two principal sources of the nation's electric energy production. Hydroelectric share, scarcely ever above 4.5 percent of the nation's total energy consumption, rose during the first 50

years of the century, but has leveled off in the last two decades since the practical potential for developing new hydroelectric sites in the country is limited. Nevertheless hydroelectric capacity is expected to continue to be a major source of power supply in the Pacific Northwest. The power supply to Tillamook County from Bonneville Power Administration tended to increase year by year, for example it totaled 192,866,000 Kwh in 1967; 257,100,000 Kwh in 1973, and rose to 303,038,000 Kwh in 1976. However, average yearly Kwh use per family has not increased. The average yearly use per family was 20,112 Kwh in 1973 and leveled steadily till 1976 (20,190) Kwh) (Annual Report P. U. D. 1976).

On the basis of measures used in Table 7 the operations of formal tourist lodging sector resulted in the largest use of electricity: 9.4 Kwh of electric power per dollar delivery to final demand. Cafe and taverns and medical services deliveries to final demand account for 3.8 Kwh per dollar.

Table 9. Rankings (1 thru 10) of economic sectors direct and indirect relationship to selected environmental goods: Tillamook County, Oregon 1973.

| Environmental Resource or Emission | 1 | 2 |
|---------------------------------------|-------------------------------------|-------------------------------------|
| Particulates (lbs) | Logging and Log Hauling .151538 | Transportation .067625 |
| Sulfur oxide (lbs) | Transportation .077815 | Cafes and Taverns .034818 |
| Carbon monoxide (lbs) | Service Stations 2.918546 | Transportation 1.668404 |
| Nitrogen oxide (lbs) | Transportation .822264 | Service Stations .403114 |
| Total organic (lbs) | Service Stations .592982 | Transportation .343914 |
| Domestic water (gal) | Formal tourist lodging 22.151152 | Cafes and Taverns 19.828856 |
| Cooling water (gal) | Oyster Aquaculture 5.61022 | Manufacturers 1.828886 |
| Processing water (gal) | Seafood processing 27.706549 | Commercial Agriculture 10.023761 |
| Total water intake (gal) | Seafood processing 35.8647 | Formal tourist lodging 22.200076 |
| Water discharge (gal) | Seafood processing 28.4105 | Formal tourist lodging 17.6738 |
| Five day BOD (lbs) | Seafood processing .586157 | Household .160231 |
| Suspended solids (lbs) | Seafood processing .230520 | Oyster Aquaculture .059990 |
| Solid wastes (cu. yds) | Logging and Log hauling .066337 | Sawmills .012598 |
| Wood (ton) | Sawmills .006436 | Other wood processing .001697 |
| Diesel and oil (gal) | Service stations 2.694970 | Transportation 2.078538 |
| Gas (10 ⁶ BTU) | Manufacturers .009685 | Other wood processing .004233 |
| Electricity (Kg watt hr) | Formal tourist lodging 0.420718 | Cafes and taverns 3.810687 |

Table 9. Continued.

| Environmental Resource or Emission | 3 | 4 |
|---------------------------------------|-------------------------------------|--------------------------------------|
| Particulates (lbs) | Service stations .040851 | Sawmills .036162 |
| Sulfur oxide (lbs) | Other wood processing .012444 | Service stations .011803 |
| Carbon monoxide (lbs) | Logging and log hauling 1.157963 | Sawmills .272047 |
| Nitrogen oxide (lbs) | Logging and log hauling .048737 | Seafood processing .044718 |
| Total organic (lbs) | Logging and log hauling .219413 | Retail services .042914 |
| Domestic water (gal) | Finances services 11.972415 | Households 11.322759 |
| Cooling water (gal) | Seafood processing 1.616316 | Commercial fisherman .552646 |
| Processing water (gal) | Manufacturers 8.239765 | Oyster Aquaculture 5.64575 |
| Total water intake (gal) | Cafes and Taverns 20.4039 | Oyster Aquaculture 16.9087 |
| Water discharge (gal) | Cafes and Taverns 16.3732 | Oyster Aquaculture 14.0142 |
| Five day BOD (lbs) | Oyster Aquaculture .128425 | Financial Services .126677 |
| Suspended solids (lbs) | Commercial Agriculture .020656 | Manufacturers .010137 |
| Solid wastes (cu. yds) | Informal tourist lodging .008297 | Other wood processing .004739 |
| Wood (ton) | Construction .000139 | Local government .000035 |
| Diesel and oil (gal) | Cafes and Taverns .281545 | Seafood processing .205811 |
| ⁶ Gas (10 BTU) | Commercial Agriculture .001709 | Sport fishing and marinas .000314 |
| Electricity (Kg watt hr) | Medical services 3.779660 | Local government 3.459733 |

Table 9. Continued.

| Environmental Resource or Emission | 5 | 6 |
|---------------------------------------|--|---------------------------------------|
| Particulates (lbs) | Other wood processing .016489 | Construction .011715 |
| Sulfur oxide (lbs) | Local government .009150 | Medical services .005902 |
| Carbon monoxide (lbs) | Construction .199581 | Seafood processing .184472 |
| Nitrogen oxide (lbs) | Commercial Agriculture .036651 | Construction .029832 |
| Total organic (lbs) | Seafood processing .038259 | Sawmills .037942 |
| Domestic water (gal) | Medical services 10.311236 | Informal tourist lodging 9.865048 |
| Cooling water (gal) | Commercial Agriculture .323747 | Other wood processing .305268 |
| Processing water (gal) | Other professional services .696787 | Commercial fisherman .579239 |
| Total water intake (gal) | Commercial Agriculture 15.6607 | Service stations 14.360639 |
| Water discharge (gal) | Commercial Agriculture 12.8657 | Manufacturers 11.6187 |
| Five day BOD (lbs) | Medical services .11678 | Other Professional service .115847 |
| Suspended solids (lbs) | Commercial fisherman .003897 | Cafes and Taverns .002679 |
| Solid wastes (cu. yds) | Seafood processing .0022184 | Silviculture .002150 |
| Wood (ton) | Informal tourist lodging .000031 | Financial Services .000028 |
| Diesel and oil (gal) | Commercial fisherman .190181 | Sawmills .187846 |
| Gas (10 ⁶ BTU) | Commercial fisherman .000151 | Cafes and Taverns .000150 |
| Electricity (Kg watt hr) | Finances services 3.167167 | Households 2.998425 |

Table 9. Continued.

| Environmental Resource or Emission | 7 | 8 |
|---------------------------------------|---|--|
| Particulates (lbs) | Retail services .009213 | Cafes and Taverns .006892 |
| Sulfur oxide (lbs) | Formal tourist lodging .005344 | Seafood processing .005149 |
| Carbon monoxide (lbs) | Commercial fisherman .182365 | Other professional services .171331 |
| Nitrogen oxide (lbs) | Commercial fisherman .027124 | Cafes and Taverns .026895 |
| Total organic (lbs) | Commercial fisherman .037605 | Other professional services .035740 |
| Domestic water (gal) | Other professional services 8,647929 | Local government 8,619021 |
| Cooling water (gal) | Sawmills .232553 | Sport fishing and marinas .067865 |
| Processing water (gal) | Sawmills .487176 | Cafes and Taverns .446222 |
| Total water intake (gal) | Finances services 12,06156 | Households 11,4347 |
| Water discharge (gal) | Finances services 9,57414 | Households 8,99666 |
| Five day BOD (lbs) | Commercial Fisherman .097631 | Local Government .096821 |
| Suspended solids (lbs) | Informal tourist lodging .001805 | Sport fishing and marinas .001451 |
| Solid wastes (cu. yds) | Formal tourist lodging .001419 | Construction .000426 |
| Wood (ton) | Other professional services .000027 | Medical services .000025 |
| Diesel and oil (gal) | Other professional services .184561 | Households .170988 |
| ⁶ Gas (10 BTU) | Seafood processing .000098 | Local government .000086 |
| Electricity (Kg watt hr) | Other professional services 2,608653 | Manufacturers 2,405014 |

Table 9. Continued.

| Environmental Resource or Emission | 9 | 10 |
|---------------------------------------|--|---------------------------------------|
| Particulates (lbs) | Silviculture .006208 | Seafood processing .005331 |
| Sulfur oxide (lbs) | Households .004567 | Commercial Agriculture .004462 |
| Carbon monoxide (lbs) | Informal tourist lodging .146202 | Households .143742 |
| Nitrogen oxide (lbs) | Other professional services .025330 | Sawmills .024159 |
| Total organic (lbs) | Informal tourist lodging .030915 | Households .029948 |
| Domestic water (gal) | Commercial fisherman 7.074219 | Seafood processing 6.541610 |
| Cooling water (gal) | Cafes and Taverns .057407 | Local Government .017983 |
| Processing water (gal) | Sport fishing and marinas .403515 | Informal tourist lodging .260611 |
| Total water intake (gal) | Medical services 10.39778 | Informal tourist lodging 10.149802 |
| Water discharge (gal) | Medical services 8.19839 | Informal tourist lodging 7.99725 |
| Five day BOD (lbs) | Cafe and Taverns .091224 | Logging and log hauling .082999 |
| Suspended solids (lbs) | Households .000292 | Other wood processing .000285 |
| Solid wastes (cu. yds) | Households .000410 | Financial services .000325 |
| Wood (ton) | Local government .000024 | Sport fishing and marinas .000023 |
| Diesel and oil (gal) | Commercial Agriculture .166005 | Construction .163914 |
| Gas (10 ⁶ BTU) | Households .000077 | 16, 19, 21* .000061 |
| Electricity (Kg watt hr) | Retail services 1.991423 | Informal tourist lodging 1.937526 |

* 16 = Construction, 19 = Medical services, 21 = Finances services

Environmental Impacts Per Dollar of a) Total Business Output
b) Total Household Income

Input-output models provide a means of computing multipliers (business and household income multipliers)¹¹ for various sectors in the Tillamook County economy. The business output multipliers can be related to the elements of Table 8¹² for insight into the environmental impact per dollar of business output.

The elements of Table 8 can be related to the household row of Table 2 for insight into environmental impact per dollar of household income. Table 8 alone is inadequate to evaluate possible trade-offs among business and/or household income with environmental quality. Laurent and Hite (1971) stated that there is no reason to assume that the environmental impact and impact of economic growth in any sector will be proportional. However, EBOC (Table 10) and EHC (Table 11) will be helpful in evaluating possible

⁹ EBOC means the direct and indirect environmental impact per dollar of the direct and indirect sales of businesses in the economy. However, Roberts refers to EBOC as Environmental Income Multipliers (Roberts, 1973, p. 93).

¹⁰ EHC means the direct and indirect environmental impact per dollar of the direct and indirect household income. However, Laurent and Hite refer to EHC as Environmental Income Multipliers (Laurent and Hite, 1971, p. 72).

¹¹ See method to compute output multipliers on page 29 and also see the method to compute household income multipliers on page 33.

¹² The estimate in Table 8 may be useful in assessing the environmental impact per dollar of final demand of various sectors of the Tillamook County economy.

Table 10. Coefficient of direct and indirect environmental impacts per dollar of business output, Tillamook County, Oregon, 1973.

| Environmental Resources or Emissions | Silviculture | Logging and Log Hauling | Sawmills | Other Wood Processing | Commercial Agriculture | Commercial Fisherman | Oyster Aquaculture | Seafood Processing |
|--|--------------|----------------------------|-----------|--------------------------|---------------------------|-------------------------|-----------------------|-----------------------|
| Particulates (lbs) | .003507 | .060089 | .016070 | .009521 | .001787 | .001483 | .001278 | .001775 |
| Sulfur oxide (lbs) | .001065 | .001056 | .001054 | .007186 | .001601 | .001183 | .001076 | .001712 |
| Carbon monoxide (lbs) | .041464 | .459168 | .120894 | .065673 | .048003 | .066932 | .048939 | .061411 |
| Nitrogen oxide (lbs) | .004410 | .019325 | .010736 | .008691 | .013149 | .009955 | .007214 | .014887 |
| Total organic (lbs) | .007940 | .087004 | .016861 | .011837 | .010323 | .013802 | .010472 | .012737 |
| Domestic water (gal) | 1.504290 | 2.376819 | 1.680792 | 1.578643 | 1.906171 | 2.597324 | 2.468189 | 2.177727 |
| Cooling water (gal) | .002799 | .004363 | .103349 | .176267 | .116144 | .202797 | .244954 | .538078 |
| Processing water (gal) | .014270 | .023178 | .216539 | .074106 | 3.696071 | .212578 | 2.464961 | 9.223618 |
| Total water intake (gal) | 1.529142 | 2.404288 | 1.997005 | 1.827752 | 5.618278 | 2.830194 | 7.382776 | 11.939494 |
| Water discharge (gal) | 1.179466 | 1.974384 | 1.5711486 | 1.403745 | 4.615523 | 2.063050 | 6.188830 | 9.457965 |
| Five day BOD (lbs) | .019461 | .032911 | .022677 | .002152 | .026411 | .035832 | .190637 | .195134 |
| Suspended solids (lbs) | .000040 | .000065 | .000044 | .000165 | .007410 | .001430 | .026153 | .076741 |
| Solid wastes (cu. yds) | .001220 | .026313 | .005587 | .002742 | .000106 | .000106 | .000086 | .000734 |
| Wood (ton) | .000008 | .000007 | .003039 | .000980 | .000007 | .000008 | .000007 | .000007 |
| Diesel and oil (gal) | .027003 | .044566 | .083476 | .057465 | .059555 | .069800 | .052177 | .068515 |
| Gas (10^6 BTU) | .000013 | .000020 | .000013 | .002244 | .000613 | .000055 | .000016 | .000033 |
| Electricity (Kg watt hr) | .484417 | .641355 | .613112 | .447107 | .623614 | .670972 | .708477 | .576655 |

Table 10. Continued.

| Environmental Resources or Emissions | Formal Tourist Lodging | Informal Tourist Lodging | Sport Fishing and Marinas | Cafe and Taverns | Service Stations | Auto and Farm Implements | Manufacturers | Construction |
|--|------------------------------|--------------------------------|---------------------------------|---------------------|---------------------|-----------------------------|---------------|--------------|
| Particulates (lbs) | .001449 | .001459 | .001363 | .002464 | .017692 | .000549 | .001215 | .004515 |
| Sulfur oxide (lbs) | .002278 | .001119 | .001122 | .012447 | .005112 | .000621 | .001078 | .001427 |
| Carbon monoxide (lbs) | .033681 | .053556 | .045201 | .038542 | 1.264014 | .018285 | .031993 | .076913 |
| Nitrogen oxide (lbs) | .005430 | .007893 | .007299 | .009614 | .174588 | .003352 | .008786 | .011497 |
| Total organic (lbs) | .007540 | .011325 | .009387 | .008418 | .256819 | .003835 | .006841 | .010660 |
| Domestic water (gal) | 9.431761 | 3.613716 | 2.382045 | 7.113957 | 1.774765 | 1.601974 | 1.575373 | 1.960304 |
| Cooling water (gal) | .003298 | .008842 | .026686 | .020528 | .002531 | .002800 | .671270 | .005466 |
| Processing water (gal) | .017484 | .095483 | .158665 | .159515 | .013636 | .014432 | 3.024302 | .021122 |
| Total water intake (gal) | 9.452593 | 3.718026 | 2.567359 | 7.293911 | 1.790936 | 1.618167 | 5.270907 | 1.986891 |
| Water discharge (gal) | 7.525345 | 2.929513 | 2.008369 | 5.453090 | 1.307204 | 1.271765 | 4.264510 | 1.557923 |
| Five day BOD (lbs) | .027532 | .027712 | .039080 | .032611 | .021061 | .017792 | .021781 | .026969 |
| Suspended solids (lbs) | .000052 | .000661 | .000570 | .000958 | .000040 | .000037 | .003721 | .000052 |
| Solid wastes (cu. yds) | .000611 | .003042 | .000112 | .000359 | .000016 | .000046 | .000108 | .000171 |
| Wood (ton) | .000008 | .000011 | .000009 | .000008 | .000006 | .000004 | .000005 | .000054 |
| Diesel and oil (gal) | .042632 | .053264 | .042895 | .100647 | 1.167184 | .021544 | .048858 | .063171 |
| Gas (10 ⁶ BTU) | .000015 | .000022 | .000123 | .000054 | .000011 | .000013 | .003555 | .000024 |
| Electricity (Kg watt hr) | 4.011257 | .709745 | 1.470113 | 1.362244 | .537615 | .348000 | .876939 | .539839 |

Table 10. Continued.

| Environmental Resources or Emissions | Retail and Wholesale | Transportation | Mechanical Services | Other Professional Services | Financial Services | Retail Services | Local Government | Households |
|--|-------------------------|----------------|------------------------|-----------------------------------|-----------------------|--------------------|---------------------|------------|
| Particulates (lbs) | .000904 | .031624 | .001340 | .001466 | .001164 | .003912 | .001445 | .001711 |
| Sulfur oxide (lbs) | .000850 | .036389 | .002037 | .001264 | .001243 | .001262 | .003409 | .001871 |
| Carbon monoxide (lbs) | .030046 | .780204 | .041670 | .058031 | .038066 | .054711 | .036932 | .057707 |
| Nitrogen oxide (lbs) | .005546 | .384519 | .006670 | .008579 | .005864 | .007127 | .006700 | .008887 |
| Total organic (lbs) | .006352 | .160826 | .008829 | .012105 | .008034 | .018424 | .007796 | .012023 |
| Domestic water (gal) | 1.981795 | 2.326205 | 3.558679 | 2.929099 | 3.950562 | 2.705113 | 3.211607 | 4.545650 |
| Cooling water (gal) | .002611 | .003494 | .004685 | .004314 | .004543 | .003983 | .006683 | .006944 |
| Processing water (gal) | .013943 | .018944 | .025134 | .235976 | .024857 | .021178 | .033800 | .038033 |
| Total water intake (gal) | 1.998384 | 2.348592 | 3.588543 | 2.957018 | 3.979961 | 2.730299 | 3.252165 | 4.590685 |
| Water discharge (gal) | 1.288767 | 1.841434 | 2.829479 | 2.323632 | 3.159198 | 2.156487 | 2.462926 | 3.611810 |
| Five day BOD (lbs) | .022550 | .003026 | .003843 | .039240 | .041799 | .030926 | .0360772 | .064326 |
| Suspended solids (lbs) | .000042 | .000056 | .000074 | .000072 | .000076 | .000061 | .000082 | .000117 |
| Solid wastes (cu. yds) | .000068 | .000100 | .000110 | .000112 | .000117 | .000092 | .000095 | .000181 |
| Wood (ton) | .000007 | .000009 | .000009 | .000009 | .000009 | .000008 | .000009 | .000014 |
| Diesel and oil (gal) | .033773 | .972142 | .051556 | .062512 | .045030 | .044323 | .053896 | .068645 |
| Gas (10 ⁶ BTU) | .000011 | .000016 | .000021 | .000019 | .000020 | .000018 | .000032 | .000031 |
| Electricity (Kg watt hr) | .593231 | .698005 | 1.304460 | .886936 | 1.045076 | .845565 | 1.289161 | 1.172383 |

Table 11. Coefficient of direct and indirect environmental impact per dollar of household income, Tillamook County, Oregon, 1973.

| Environmental Resources or Emissions | Silviculture | Logging and Log Hauling | Sawmills | Other Wood Processing | Commercial Agriculture | Commercial Fisherman | Oyster Aquaculture | Seafood Processing |
|--|--------------|----------------------------|----------|--------------------------|---------------------------|-------------------------|-----------------------|-----------------------|
| Particulates (lbs) | .02109 | .21363 | .08353 | .05209 | .00830 | .00527 | .00484 | .00744 |
| Sulfur oxide (lbs) | .00640 | .00376 | .00548 | .03930 | .00743 | .00420 | .00407 | .00718 |
| Carbon monoxide (lbs) | .24932 | 1.63245 | .62839 | .35914 | .22288 | .23784 | .18517 | .25734 |
| Nitrogen oxide (lbs) | .02652 | .06819 | .05580 | .04753 | .06105 | .03538 | .02730 | .06238 |
| Total organic (lbs) | .04775 | .30932 | .08764 | .06473 | .04793 | .04905 | .03962 | .05337 |
| Domestic water (gal) | 9.04501 | 8.44885 | 8.73644 | 8.62693 | 8.85048 | 9.22972 | 9.33892 | 9.12549 |
| Cooling water (gal) | .01693 | .01551 | .53719 | .96394 | .53926 | .72065 | 9.26827 | 2.25475 |
| Processing water (gal) | .08581 | .08240 | 1.12353 | .40526 | 16.69681 | .75541 | 9.32670 | 38.65041 |
| Total water intake (gal) | 9.19444 | 8.45015 | 10.38006 | 9.995326 | 26.08605 | 10.05724 | 27.93431 | 50.02309 |
| Water discharge (gal) | 7.085889 | 6.67881 | 8.16653 | 7.67659 | 21.43019 | 7.33115 | 23.15210 | 39.63242 |
| Five day BOD (lbs) | .116943 | .11700 | .13068 | .01176 | .12262 | .12733 | .21516 | .81768 |
| Suspended solids (lbs) | .00024 | .00023 | .00023 | .00090 | .03441 | .00508 | .09896 | .32157 |
| Solid wastes (cu. yds) | .00734 | .09355 | .02904 | .01500 | .00050 | .00038 | .00033 | .00308 |
| Wood (ton) | .00006 | .00003 | .015799 | .00536 | .00003 | .00003 | .00003 | .00003 |
| Diesel and oil (gal) | .16237 | .15844 | .43399 | .31426 | .27652 | .24804 | .19742 | .28710 |
| Gas (10 ⁶ BTU) | .00008 | .00007 | .00007 | .01337 | .00285 | .00020 | .00006 | .00014 |
| Electricity (Kg watt hr) | 2.91270 | 2.28017 | 3.18686 | 2.44507 | 2.89548 | 2.38435 | 2.67796 | 2.41640 |

Table 11. Continued.

| Environmental Resources or Emissions | Formal Tourist Lodging | Informal Tourist Lodging | Sport Fishing and Marinas | Cafe and Taverns | Service Stations | Auto and Farm Implements | Manufacturers | Construction |
|--|------------------------------|--------------------------------|---------------------------------|---------------------|---------------------|-----------------------------|---------------|--------------|
| Particulates (lbs) | .00616 | .00646 | .00531 | .00935 | .09829 | .00391 | .00673 | .01959 |
| Sulfur oxide (lbs) | .00968 | .00495 | .00438 | .04726 | .02880 | .00408 | .00598 | .00619 |
| Carbon monoxide (lbs) | .14314 | .23705 | .17627 | .14633 | 7.02249 | .12026 | .17728 | .33373 |
| Nitrogen oxide (lbs) | .02308 | .03494 | .02846 | .03650 | .96996 | .02205 | .04869 | .04988 |
| Total organic (lbs) | .03204 | .05012 | .03661 | .03196 | 1.42681 | .02523 | .03791 | .04625 |
| Domestic water (gal) | 40.08315 | 15.99495 | 9.28934 | 27.00909 | 9.86006 | 10.52901 | 8.72967 | 8.50538 |
| Cooling water (gal) | .01402 | .03914 | .10407 | .07794 | .01406 | .01842 | 3.71974 | .02371 |
| Processing water (gal) | .07430 | .42262 | .61875 | .60562 | .07576 | .09491 | 16.75868 | .09164 |
| Total water intake (gal) | 40.17168 | 16.45665 | 10.01201 | 27.69231 | 9.94991 | 10.64233 | 29.20788 | 8.62073 |
| Water discharge (gal) | 31.98125 | 12.96655 | 7.83210 | 22.22204 | 7.26244 | 8.36412 | 23.63109 | 6.75546 |
| Five day BOD (lbs) | .11700 | .12265 | .12050 | .12381 | .11700 | .11702 | .12069 | .11694 |
| Suspended solids (lbs) | .00022 | .00293 | .00222 | .00364 | .00022 | .00025 | .02062 | .00023 |
| Solid wastes (cu. yds) | .00260 | .01348 | .00044 | .00136 | .00009 | .00030 | .00060 | .00074 |
| Wood (ton) | .00034 | .00005 | .00004 | .00003 | .00031 | .00003 | .00003 | .00023 |
| Diesel and oil (gal) | .18118 | .23576 | .19068 | .38212 | 6.45453 | .14169 | .27074 | .27409 |
| Gas (10 BTU) | .00006 | .00010 | .00048 | .00020 | .00006 | .00009 | .01970 | .00010 |
| Electricity (Kg watt hr) | 17.04706 | 3.14146 | 2.67741 | 5.17194 | 2.98683 | 2.28872 | 4.87152 | 2.34226 |

Table 11. Continued.

| Environmental Resources or Emissions | Retail and Wholesale | Transportation | Mechanical Services | Other Professional Services | Financial Services | Retail Services | Local Government | Households |
|--|-------------------------|----------------|------------------------|-----------------------------------|-----------------------|-----------------|---------------------|------------|
| Particulates (lbs) | .00469 | .12225 | .00407 | .00437 | .00326 | .01480 | .00469 | .00311 |
| Sulfur oxide (lbs) | .00441 | .14068 | .00618 | .00377 | .00348 | .00478 | .01106 | .00340 |
| Carbon monoxide (lbs) | .15590 | 3.01619 | .12651 | .17305 | .10655 | .20702 | .11979 | .10496 |
| Nitrogen oxide (lbs) | .02877 | 1.48651 | .02025 | .02558 | .01641 | .02697 | .02173 | .01616 |
| Total organic (lbs) | .03296 | .62174 | .02680 | .03610 | .02249 | .06971 | .02529 | .02187 |
| Domestic water (gal) | 10.28298 | 8.99287 | 10.80389 | 8.73466 | 11.05803 | 10.23455 | 10.41699 | 8.26793 |
| Cooling water (gal) | .01355 | .01351 | .01422 | .01286 | .01272 | .01507 | .02168 | .01263 |
| Processing water (gal) | .07234 | .07393 | .07630 | .70369 | .06958 | .08013 | .10963 | .06917 |
| Total water intake (gal) | 10.36905 | 9.07941 | 10.89456 | 8.81792 | 11.14032 | 10.33086 | 10.54855 | 8.34984 |
| Water discharge (gal) | 6.68705 | 7.11879 | 8.39009 | 6.92914 | 8.84291 | 8.15968 | 7.98861 | 6.56939 |
| Five day BOD (lbs) | .11700 | .71700 | .11701 | .11700 | .117002 | .11701 | .11701 | .117001 |
| Suspended solids (lbs) | .00022 | .00022 | .00022 | .00022 | .00021 | .00023 | .00027 | .00021 |
| Solid wastes (cu. yds) | .00035 | .00039 | .00033 | .00033 | .00033 | .00031 | .00031 | .00033 |
| Wood (ton) | .00004 | .00003 | .00003 | .00003 | .00003 | .00003 | .00003 | .00003 |
| Diesel and oil (gal) | .17524 | 3.78980 | .15654 | .18641 | .12604 | .16771 | .17482 | .12486 |
| Gas (10^6 BTU) | .00005 | .00006 | .00006 | .00006 | .00006 | .00007 | .00010 | .00006 |
| Electricity (Kg watt hr) | .07842 | 2.69841 | 3.96025 | 2.64487 | 2.72528 | 3.19943 | 4.18145 | 2.13240 |

tradeoffs between economic growth and environmental quality.

In order to obtain the EBOC estimates in Table 10 it was necessary to perform a division of the elements in Table 8 by the respective output multipliers (Table 3, column I) (see Roberts, 1973, p. 93). Information in Table 10 can be interpreted as an estimate of the environmental impact of one dollar's change in the total business output arising for each sector. Similarly, to get the EHC estimates in Table 11, it was necessary to divide elements of Table 8 by the respective direct and indirect household coefficients (Table 2, row 24).¹³ The information in Table 11 can be interpreted as estimates of the environmental impact of one dollar's change in household income arising in each sector of the Tillamook County economy.

From Table 10 silviculture was estimated to contribute .004 lbs. of particulates per dollar of additional business output generated, "logging and log hauling", .060 lbs., "sawmills" .016 lbs. and so on. Compared with Table 11 silviculture contributed .021 lbs., of particulates per dollar of household income generated, "logging and log hauling" .213 lbs., "sawmills" .084 lbs. and so on.

¹³ Laurent and Hite viewed EHC as Environmental Income Multipliers. The way they computed Environmental Income Multipliers by performing a division of Table 8 by income multipliers which derived from summation of each column of a value added matrix. The value added matrix was calculated by an appropriate value added coefficient (Laurent and Hite, 1971, p. 71).

Table 12 and Table 13 represent the ranking of major economic sectors which have relatively large direct and indirect relationships between environmental impacts and business output coefficients or household income coefficients. For example, service stations and transportation are the top ranking industry sectors for air emissions. Seafood processing is the leader among water usage and direct water emission. The purpose of ranking sectors on the basis of environmental impact business income coefficients and/or environmental impact household income coefficients is to provide a measure of economic returns to non-market resources used for stimulating local growth. Analysis and descriptive information on the structure of market and non-market activities for development purposes should result from this process.

From the analysis, it is clear that these tables (8 or 9, 10 or 12, 11 or 13) do not give the same ranking of input from major economic sectors for direct and indirect environmental impact for:

- a) per dollar of exports
(Table 8 or 9)
- b) per dollar of total business output
(Table 10 or 12)
- c) per dollar of household income
(Table 11 or 13)

The reasons are: (1) coefficients of direct and indirect

Table 12. Economic sectors exhibiting relatively large environmental impact per dollar of business output, Tillamook County, Oregon, 1973.

| Environmental Resource or Emission | 1 | 2 |
|---------------------------------------|------------------------------------|---------------------------------------|
| Particulates (lbs) | Logging and log hauling .060089 | Transportation .031624 |
| Sulfur oxide (lbs) | Transportation .036389 | Cafes and Taverns .012447 |
| Carbon monoxide (lbs) | Service Stations 1.264014 | Transportation .780204 |
| Nitrogen oxide (lbs) | Transportation .384519 | Service Stations .174588 |
| Total organic (lbs) | Service Stations .256819 | Transportation .160826 |
| Domestic water (gal) | Formal tourist lodging 9.431761 | Cafes and Taverns 7.113975 |
| Cooling water (gal) | Oyster Aquaculture 2.44969 | Manufacturers .671270 |
| Processing water (gal) | Seafood processing 9.223618 | Commercial Agriculture 3.596071 |
| Total water intake (gal) | Seafood processing 11.937978 | Formal tourist lodging 9.452593 |
| Water discharge (gal) | Seafood processing 9.457965 | Formal tourist lodging 7.525345 |
| Five day BOD (lbs) | Seafood processing .1951334 | Oyster Aquaculture .190637 |
| Suspended solids (lbs) | Seafood processing .1951337 | Oyster Aquaculture .190637 |
| Solid wastes (cu. yds) | Logging and log hauling .026313 | Sawmills .005587 |
| Wood (ton) | Sawmills .002860 | Other wood processing .000980 |
| Diesel and oil (gas) | Service Stations 1.167184 | Transportation .971997 |
| 6 Gas (10 BTU) | Cafes and Taverns .035802 | Manufacturers .003555 |
| Electricity (Kg watt hr) | Formal tourist lodging 4.011257 | Sport fishing and marinas 1.470113 |

Table 12. Continued.

| Environmental Resource or Emission | 3 | 4 |
|---------------------------------------|-------------------------------------|-----------------------------------|
| Particulates (lbs) | Service Station .017692 | Sawmills .016070 |
| Sulfur oxide (lbs) | Other wood processing .007186 | Service Station .005112 |
| Carbon monoxide (lbs) | Logging and log hauling .459168 | Sawmills .120894 |
| Nitrogen oxide (lbs) | Logging and log hauling .019325 | Seafood processing .014887 |
| Total organic (lbs) | Logging and log hauling .087004 | Retail services .018221 |
| Domestic water (gal) | Households 4.545650 | Finances services 3.950562 |
| Cooling water (gal) | Seafood processing .538078 | Commercial fisherman .202797 |
| Processing water (gal) | Manufacturers 3.024302 | Oyster Aquaculture 2.46505 |
| Total water intake (gal) | Oyster Aquaculture 7.382776 | Cafes and Taverns 7.293911 |
| Water discharge (gal) | Oyster Aquaculture 6.118830 | Cafes and Taverns 5.853090 |
| Five day BOD (lbs) | Commercial fisherman .002993 | Cafes and Taverns .001875 |
| Suspended solids (lbs) | Household .064326 | Financial services .041799 |
| Solid wastes (cu. yds) | Informal tourist lodging .003046 | Other wood processing .002742 |
| Wood (ton) | Construction .000054 | Households .000014 |
| Diesel and oil (gas) | Cafes and Taverns .100647 | Sawmills .083476 |
| Gas (10^6 BTU) | Other wood processing .002444 | Commercial Agriculture .000613 |
| Electricity (Kg watt hr) | Cafes and Taverns 1.362244 | Medical services 1.304460 |

Table 12. Continued.

| Environmental Resource Or Emission | 5 | 6 |
|---------------------------------------|--|--------------------------------------|
| Particulates (lbs) | Other wood processing .009521 | Construction .004515 |
| Sulfur oxide (lbs) | Local Government .003409 | Formal tourist lodging .002278 |
| Carbon monoxide (lbs) | Construction .076916 | Commercial fisherman .066932 |
| Nitrogen oxide (lbs) | Commercial Agriculture .013149 | Construction .011497 |
| Total organic (lbs) | Sawmills .016861 | Commercial fisherman .013802 |
| Domestic water (gal) | Informal tourist lodging 3.613716 | Medical services 3.558679 |
| Cooling water (gal) | Other wood processing .176267 | Commercial Agriculture .116144 |
| Processing water (gal) | Other professional services .235976 | Sawmills .216539 |
| Total water intake (gal) | Commercial Agriculture 5.618278 | Manufacturers 5.270907 |
| Water discharge (gal) | Commercial Agriculture 4.615523 | Manufacturers 4.264510 |
| Five day BOD (lbs) | Informal tourist lodging .001391 | Commercial Agriculture .001278 |
| Suspended solids (lbs) | Other Professional services .039240 | Sport fishing and marinas .039010 |
| Solid wastes (cu. yds) | Silviculture .001220 | Seafood processing .000734 |
| Wood (ton) | Informal tourist lodging .000011 | 11, 19, 20, 23 * .000009 |
| Diesel and oil (gas) | Commercial fisherman .069800 | Households .068645 |
| Gas (10 BTU) 6 | Sport fishing and marinas .000123 | Commercial fisherman .000055 |
| Electricity (Kg watt hr) | Households 1.217239 | Local government 1.203752 |

Table 12. Continued.

| Environmental Resource or Emission | 7 | 8 |
|---------------------------------------|--------------------------------------|---|
| Particulates (lbs) | Retail services .003912 | Silviculture .003507 |
| Sulfur oxide (lbs) | Medical services .002037 | Households .001833 |
| Carbon monoxide (lbs) | Other wood processing .065673 | Seafood processing .061411 |
| Nitrogen oxide (lbs) | Sawmills .010736 | Commercial fisherman .009955 |
| Total organic (lbs) | Seafood processing .012737 | Other professional services .012106 |
| Domestic water (gal) | Local government 3.211607 | Other professional services 2.929099 |
| Cooling water (gal) | Sawmills .103349 | Sport fishing and marinas .026686 |
| Processing water (gal) | Commercial fisherman .212578 | Cafes and Taverns .159515 |
| Total water intake (gal) | Households 4.590685 | Financial services 3.979061 |
| Water discharge (gal) | Households 3.611811 | Financial services 3.159178 |
| Five day BOD (lbs) | Sport fishing and marinas .000979 | Manufacturers .000723 |
| Suspended solids (lbs) | Local Government .0360772 | Medical Services .003843 |
| Solid wastes (cu. yds) | Formal tourist lodging .000611 | Cafes and Taverns .000359 |
| Wood (ton) | 1, 6, 9, 12, 22 * .000008 | 2, 5, 7, 8, 7, 17, 18 * .000007 |
| Diesel and oil (gas) | Seafood processing .068515 | Construction .063171 |
| Gas (10 ⁶ BTU) | Seafood processing .000033 | Local government .000032 |
| Electricity (Kg watt hr) | Financial services 1.045076 | Other professional services .885564 |

Table 12. Continued.

| Environmental Resource or Emission | 9 | 10 |
|---------------------------------------|--|-------------------------------------|
| Particulates (lbs) | Cafes and Taverns .002464 | Commercial Agriculture .001787 |
| Sulfur oxide (lbs) | Seafood processing .001712 | Commercial Agriculture .001601 |
| Carbon monoxide (lbs) | Other professional services .058031 | Households .057707 |
| Nitrogen oxide (lbs) | Cafes and Taverns .009614 | Households .008887 |
| Total organic (lbs) | Households .012023 | Other wood processing .011837 |
| Domestic water (gal) | Retail services 2.705113 | Commercial fisherman 2.597332 |
| Cooling water (gal) | Cafes and Taverns .020528 | Informal tourist lodging .008842 |
| Processing water (gal) | Sport fishing and marinas .158665 | Informal tourist lodging .095483 |
| Total water intake (gal) | Informal tourist lodging 3.719026 | Transportation 3.588543 |
| Water discharge (gal) | Informal tourist lodging 2.929513 | Transportation 2.829478 |
| Five day BOD (lbs) | Other wood processing .000182 | Households .000171 |
| Suspended solids (lbs) | Logging and log hauling .032911 | Commercial fisherman .000165 |
| Solid wastes (cu. yds) | Households .000181 | Construction .000171 |
| Wood (ton) | Service Stations .000006 | Manufacturers .000005 |
| Diesel and oil (gas) | Other professional services .062512 | Commercial Agriculture .059555 |
| Gas (10 ⁶ BTU) | Households .000031 | Construction .000024 |
| Electricity (Kg watt hr) | Manufacturers .876939 | Retail services .845565 |

* 1 = Silviculture, 2 = Logging and Log Hauling, 5 = Commercial Agriculture, 6 = Commercial fisherman, 7 = Oyster Aquaculture, 8 = Seafood processing, 9 = Formal tourist lodging, 12 = Cafes and Taverns, 17 = Retail and Wholesale sales, 18 = Transportation, 22 = Retail services.

Table 13. Economic sectors exhibiting relatively large environmental impact per dollar of income, Tillamook County, Oregon, 1973 (Ranking 1-10).

| Environmental Resource or Emission | 1 | 2 |
|---------------------------------------|------------------------------------|-------------------------------------|
| Particulates (lbs) | Logging and log hauling .21363 | Transportation .12225 |
| Sulfur oxide (lbs) | Transportation .14068 | Cafes and Taverns .04726 |
| Carbon monoxide (lbs) | Service Stations 7.03294 | Transportation 3.01619 |
| Nitrogen oxide (lbs) | Transportation 1.48651 | Service Stations .96996 |
| Total organic (lbs) | Service Stations 1.42681 | Transportation .62174 |
| Domestic water (gal) | Formal tourist lodging 40.08315 | Cafes and Taverns 26.91213 |
| Cooling water (gal) | Oyster Aquaculture 9.26827 | Manufacturers 3.71974 |
| Processing water (gal) | Seafood processing 38.65041 | Manufacturers 16.75868 |
| Total water intake (gal) | Seafood processing 50.02460 | Formal tourist lodging 40.17168 |
| Water discharge (gal) | Seafood processing 39.63240 | Formal tourist lodging 31.981253 |
| Five day BOD (lbs) | Seafood processing .817684 | Oyster Aquaculture .2151640 |
| Suspended solids (lbs) | Seafood processing .32157 | Oyster Aquaculture .09846 |
| Solid wastes (cu. yds) | Logging and log hauling .09355 | Sawmills .02904 |
| Wood (ton) | Sawmills .01487 | Other wood processing .00536 |
| Diesel and oil (gal) | Service Stations 6.48453 | Transportation 3.75764 |
| ⁶ Gas (10 BTU) | Cafes and Taverns .13593 | Other wood processing .01337 |
| Electricity (Kg watt hr) | Formal tourist lodging 17.04706 | Cafes and Taverns 5.17194 |

Table 13. Continued.

| Environmental Resource Or Emission | 3 | 4 |
|---------------------------------------|--------------------------------------|----------------------------------|
| Particulates (lbs) | Service Stations .09829 | Sawmills .08353 |
| Sulfur oxide (lbs) | Other wood processing .03930 | Service Stations .02840 |
| Carbon monoxide (lbs) | Logging and log hauling 1.63243 | Sawmills .62839 |
| Nitrogen oxide (lbs) | Logging and log hauling .06819 | Seafood processing .06238 |
| Total organic (lbs) | Logging and log hauling .30932 | Sawmills .08764 |
| Domestic water (gal) | Informal tourist lodging 15.99495 | Financial services 11.05903 |
| Cooling water (gal) | Seafood processing 2.25475 | Other wood processing .96394 |
| Processing water (gal) | Commercial Agriculture 16.69681 | Sawmills 1.12553 |
| Total water intake (gal) | Manufacturers 29.20788 | Oyster Aquaculture 27.93431 |
| Water discharge (gal) | Manufacturers 23.631094 | Oyster Aquaculture 23.15210 |
| Five day BOD (lbs) | Sawmills .13068 | Commercial Fisherman .127331 |
| Suspended solids (lbs) | Commercial Agriculture .03441 | Manufacturers .02062 |
| Solid wastes (cu. yds) | Other wood processing .01500 | Other wood processing .002786 |
| Wood (ton) | Formal tourist lodging .00034 | Service Station .00031 |
| Diesel and oil (gal) | Sawmills .43386 | Cafes and Taverns .38212 |
| Gas (10 ⁶ BTU) | Manufacturer .01970 | Commercial Agriculture .00285 |
| Electricity (Kg watt hr) | Manufacturer 4.89152 | Local government 4.18145 |

Table 13. Continued.

| Environmental Resource or Emission | 5 | 6 |
|---------------------------------------|-------------------------------------|--------------------------------------|
| Particulates (lbs) | Other wood processing .05209 | Silviculture .02109 |
| Sulfur oxide (lbs) | Local government .01106 | Formal tourist lodging .00968 |
| Carbon monoxide (lbs) | Other wood processing .35914 | Construction .33373 |
| Nitrogen oxide (lbs) | Commercial Agriculture .06105 | Sawmills .05580 |
| Total organic (lbs) | Retail services .06893 | Other wood processing .06473 |
| Domestic water (gal) | Medical services 10.80389 | Auto and Farm implements 10.52901 |
| Cooling water (gal) | Commercial fisherman .72065 | Commercial Agriculture .53926 |
| Processing water (gal) | Oyster Aquaculture .93270 | Commercial fisherman .75541 |
| Total water intake (gal) | Cafe and Taverns 27.69231 | Commercial fisherman 26.08605 |
| Water discharge (gal) | Cafe and Taverns 22.22041 | Commercial Agriculture 21.430190 |
| Five day BOD (lbs) | Cafes and Taverns .123812 | Informal tourist lodging .122659 |
| Suspended solids (lbs) | Commercial fisherman .00508 | Cafes and Taverns .00364 |
| Solid wastes (cu. yds) | Cafes and Taverns .001511 | Silviculture .00006 |
| Wood (ton) | Construction .00023 | Silviculture .000016 |
| Diesel and oil (gal) | Other wood processing .31426 | Seafood processing .28710 |
| Gas (10^6 BTU) | Sport fishing and marinas .00048 | Commercial fisherman .00020 |
| Electricity (Kg watt hr) | Medical services 3.96025 | Retail services 3.19943 |

Table 13. Continued.

| Environmental Resource or Emission | 7 | 8 |
|---------------------------------------|---------------------------------------|---|
| Particulates (lbs) | Construction .01959 | Retail services .01410 |
| Sulfur oxide (lbs) | Commercial Agriculture .00743 | Seafood processing .00718 |
| Carbon monoxide (lbs) | Seafood processing .25734 | Silviculture .24932 |
| Nitrogen oxide (lbs) | Construction .04988 | Manufacturers .04869 |
| Total organic (lbs) | Seafood processing .05337 | Informal tourist lodging .05012 |
| Domestic water (gal) | Local government 10.41699 | Retail and wholesale services 10.21298 |
| Cooling water (gal) | Sawmills .53719 | Sports fishing and marinas .10407 |
| Processing water (gal) | Other professional services .70369 | Sport fishing and marinas .61875 |
| Total water intake (gal) | Informal tourist lodging 16.45665 | Financial services 11.14032 |
| Water discharge (gal) | Informal tourist lodging 12.96655 | Medical services 8.842919 |
| Five day BOD (lbs) | Commercial Agriculture .122627 | Manufacturers .120698 |
| Suspended solids (lbs) | Informal tourist lodging .00293 | Sports fishing and marinas .00222 |
| Solid wastes (cu. yds) | Formal tourist lodging .00260 | Cafes and Taverns .00136 |
| Wood (ton) | Informal tourist lodging .00005 | Sport fishing and marinas .000045 |
| Diesel and oil (gal) | Commercial Agriculture .27652 | Construction .27409 |
| Gas (10^6 BTU) | Seafood processing .000148 | Retail services .000143 |
| Electricity (Kg watt hr) | Sawmills 3.18686 | Informal tourist lodging 3.14146 |

Table 13. Continued.

| Environmental Resource or Emission | 9 | 10 |
|---------------------------------------|--|-------------------------------------|
| Particulates (lbs) | Cafes and Taverns .00935 | Commercial Agriculture .002559 |
| Sulfur oxide (lbs) | Silvaculture .00640 | Construction .00619 |
| Carbon monoxide (lbs) | Commercial fisherman .23784 | Informal tourist lodging .23705 |
| Nitrogen oxide (lbs) | Other wood processing .04753 | Cafes and Taverns .03650 |
| Total organix (lbs) | Commercial fisherman .04905 | Commercial Agriculture .04793 |
| Domestic water (gal) | Retail services 10.23455 | Service Stations 9.86006 |
| Cooling water (gal) | Cafes and Taverns .07794 | Informal tourist lodging .011804 |
| Processing water (gal) | Cafes and Taverns .60562 | Informal tourist lodging .42262 |
| Total water intake (gal) | Medical services 10.89456 | Auto and farm implement 10.64233 |
| Water discharge (gal) | Financial services 8.892919 | Auto and farm implement 8.364124 |
| Five day BOD (lbs) | Sport fishing and marinas .120506 | Retail services .117019 |
| Suspended solids (lbs) | Other wood processing .00090 | Local government .00027 |
| Solid wastes (cu. yds) | Construction .00074 | Manufacturers .00060 |
| Wood (ton) | Retail and wholesale sales .000041 | Logging and log hauling .00003 |
| Diesel and oil (gal) | Manufacturers .27074 | Commercial fisherman .24804 |
| ⁶ Gas (10 BTU) | Informal tourist lodging .00010 | Construction .00010 |
| Electricity (Kg watt hr) | Retail and wholesale sales 3.078921 | Service Stations 2.98683 |

environmental impact per dollar of final demand are different among sectors; and (2) output multipliers and direct and indirect household coefficients are different among sectors in the Tillamook County economy.

For example, Table 14 shows the different rank (1-10) of major economic sectors with regard to:

1. having relatively high water intake per dollar of exports,
2. having high water intake per dollar of business output,
3. having relatively high water intake per dollar of household income.

As the result, we perceive that there are different rank orders of environmental impact for major economic sectors. Cafe and taverns rank third in water intake per dollar of final demand, however, comparisons between per dollar of total sales and per dollar of household income that the relationship of water intake with respect to cafe and taverns rank 4 and 5, respectively.

Economic-Ecologic Model Use in Environmental Planning

Local communities who are concerned with the development of the community, can utilize the essential information of economic-ecologic model for assisting local decisions. They realize that business output and/or household income cannot be generated without use of some environmental goods. If an area, community or county is

Table 14. Three different ranking order (1-10) of major economic sectors relative to natural input (water intake) categories of direct and indirect environmental linkage coefficients, environmental impact business income coefficients, and environmental impact household income coefficients.

| Silviculture | Logging and log hauling | Sawmills | Other wood processing | Commercial Agriculture | Commercial fisherman | Oyster Aquaculture | Seafood processing | Formal tourist lodging | Informal tourist lodging | Sport fishing and marinas | Cafes and Taverns | |
|---------------------|-----------------------------|---------------|--------------------------|-------------------------------|-------------------------|-----------------------|----------------------------------|---------------------------|-----------------------------|------------------------------|----------------------|-----------|
| Rank Order | | | | | | | | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | |
| A | 2.7 | 6.1 | 4.5 | 3.3 | 15.7 5 | 7.7 | 16.9 4 | 35.9 1 | 22.2 2 | 10.1 10 | 6.5 | 20.4 2 |
| B | 1.5 | 2.4 | 2.0 | 1.983 | 5.6 3 | 2.8 | 7.4 3 | 11.9 1 | 9.4 2 | 3.7 9 | 2.6 | 7.3 4 |
| C | 9.1 | 8.5 | 10.4 | 10.3 | 26.1 | 10.0 6 | 27.9 4 | 50.0 1 | 40.2 2 | 16.5 7 | 10.0 | 27.7 5 |
| Service Stations | Auto and farm implements | Manufacturers | Construction | Retail and Wholesale sales | Transportation | Medical Services | Other Profes- sional services | Financial services | Retail services | Local government | Households | |
| Rank Order | | | | | | | | | | | | |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | |
| A | 4.1 6 | 2.3 | 14.4 | 5.2 | 3.5 | 5.0 | 10.4 9 | 8.7 | 12.1 7 | 6.4 | 8.7 | 11.4 8 |
| B | 1.8 | 1.6 | 5.3 6 | 1.996 | 1.992 | 2.3 10 | 3.6 | 3.0 | 4.0 8 | 2.7 | 3.2 | 4.6 7 |
| C | 9.9 | 10.6 10 | 29.2 3 | 8.6 | 10.3 | 9.1 | 10.9 9 | 8.8 | 11.1 8 | 10.3 | 10.5 | 8.3 |

A refer to direct and indirect natural resource input (water intake) per dollar of direct and indirect of final demand (Table 8, column I).

B refer to direct and indirect natural resource input (water intake) per dollar of direct and indirect of sales (Table 10, column I).

C refer to direct and indirect natural resource input (water intake) per dollar of direct and indirect of household income (Table 11, column I).

to develop and grow, a decision as the proper level of tradeoffs between "business and/or household" income and environmental quality needs to be made.

Table 15 compares the direct and indirect ecologic linkages of selected sectors to the environmental business output coefficients (EBOC) and the environmental impact household income coefficients. In all cases, the direct and indirect ecologic linkages are larger than the EBOC but smaller than EHC. For example, Silviculture discharges .006 pounds of particulates per dollar of final demand, but .004 pounds per dollar of business income and .02 pounds per dollar of household income generated.

At the moment, one may raise the question "what kind of income, business and/or household, should one be concerned with and what tradeoffs should one be willing to make with environmental quality in making local economic decisions? It seems to be a dichotomous decision to make. Both business¹⁴ and household¹⁵ have been used in the past when making tradeoffs with environmental quality.

In a general sense, the model provides two alternatives for a

¹⁴Robert (1973) used business income to compare in making tradeoffs with the environmental quality.

¹⁵Laurent and Hite (1971) used household income in order to tradeoff with the environmental quality.

Table 15. Comparison of direct and indirect environmental linkage coefficients of selected sectors with environmental business output coefficients and environmental impact households income coefficients, Tillamook County, 1973.

| | Silviculture | | | Sawmills | | |
|-----------------|-----------------------|---------|--------|------------------------|---------|---------|
| | (a) | (b) | (c) | (a) | (b) | (c) |
| Particulates | .006208 | .003507 | .02109 | .036162 | .016070 | .08353 |
| Sulfur oxide | .001885 | .001065 | .00640 | .002371 | .001054 | .00548 |
| Carbon monoxide | .073382 | .041464 | .24932 | .272047 | .120894 | .62839 |
| Nitrogen oxide | .007806 | .004410 | .02652 | .024159 | .010736 | .05580 |
| Total organic | .014053 | .007940 | .04775 | .037942 | .016861 | .08764 |
| Five day BOD | .000096 | .000054 | .00033 | .000132 | .000062 | .00032 |
| Suspended solid | .000076 | .000040 | .00024 | .000100 | .000044 | .00023 |
| Solid Waste | .002159 | .001220 | .00734 | .012573 | .005587 | .02904 |
| | Other Wood Processing | | | Commercial Agriculture | | |
| | (a) | (b) | (c) | (a) | (b) | (c) |
| Particulates | .016499 | .009521 | .05209 | .004982 | .001786 | .00830 |
| Sulfur oxide | .012444 | .007186 | .03930 | .004462 | .001601 | .007432 |
| Carbon monoxide | .113734 | .065673 | .35914 | .133804 | .048003 | .22288 |
| Nitrogen oxide | .015051 | .008691 | .04753 | .036651 | .013149 | .061050 |
| Total organic | .020999 | .011837 | .06473 | .028775 | .010323 | .047931 |
| Five day BOD | .000316 | .000182 | .00100 | .003561 | .001278 | .00593 |
| Suspended solid | .000285 | .000165 | .00090 | .020656 | .007410 | .03441 |
| Solid waste | .004749 | .002742 | .01500 | .000317 | .000114 | .00053 |

Table 15. Continued.

| | Manufacturers | | | Commercial Fisheries | | |
|-----------------|--------------------|---------|--------|----------------------|---------|--------|
| | (a) | (b) | (c) | (a) | (b) | (c) |
| Particulates | .003311 | .001215 | .00673 | .004041 | .001483 | .00527 |
| Sulfur oxide | .002939 | .001078 | .00598 | .003222 | .001183 | .00420 |
| Carbon monoxide | .087165 | .031993 | .17728 | .182365 | .066932 | .23784 |
| Nitrogen oxide | .023937 | .008786 | .04869 | .027124 | .009955 | .03538 |
| Total organic | .018639 | .006841 | .03791 | .037605 | .013902 | .04905 |
| Five day BOD | .001970 | .000723 | .00401 | .008156 | .002993 | .01064 |
| Suspended solid | .010137 | .003721 | .02062 | .003897 | .001430 | .00508 |
| Solid waste | .000295 | .000108 | .00060 | .000289 | .000106 | .00038 |
| | Oyster Aquaculture | | | Seafood Processing | | |
| | (a) | (b) | (c) | (a) | (b) | (c) |
| Particulates | .002928 | .001278 | .00484 | .005331 | .001775 | .00744 |
| Sulfur oxide | .002464 | .001076 | .00407 | .005144 | .001712 | .00718 |
| Carbon monoxide | .112086 | .048939 | .18517 | .184472 | .061411 | .25734 |
| Nitrogen oxide | .016522 | .007214 | .02730 | .044718 | .014887 | .06238 |
| Total organic | .023985 | .010472 | .03962 | .038259 | .012737 | .05337 |
| Five day BOD | .057793 | .025234 | .09548 | .502507 | .167287 | .70099 |
| Suspended solid | .059601 | .026023 | .09846 | .230520 | .076741 | .32157 |
| Solid waste | .000200 | .000087 | .00039 | .002206 | .000734 | .00308 |

Table 15. Continued.

| | Formal Tourist Lodging | | | Informal Tourist Lodging | | |
|-----------------|---------------------------|---------|--------|--------------------------|---------|--------|
| | (a) | (b) | (c) | (a) | (b) | (c) |
| Particulates | .003403 | .001449 | .00618 | .003992 | .001459 | .00646 |
| Sulfur oxide | .005349 | .002278 | .00968 | .003055 | .001119 | .00495 |
| Carbon monoxide | .079103 | .033681 | .14314 | .146202 | .053556 | .23705 |
| Nitrogen oxide | .012753 | .005730 | .02308 | .021547 | .007898 | .03494 |
| Total organic | .017708 | .007540 | .03204 | .030915 | .011325 | .05012 |
| Five day BOD | .000176 | .000075 | .00032 | .003796 | .001391 | .00615 |
| Suspended solid | .000122 | .000052 | .00022 | .001805 | .000661 | .00293 |
| Solid waste | .001435 | .000611 | .00260 | .008316 | .003046 | .01348 |
| | Sport Fishing and Marinas | | | Cafe and Taverns | | |
| | (a) | (b) | (c) | (a) | (b) | (c) |
| Particulates | .003466 | .001363 | .00531 | .006892 | .002464 | .00938 |
| Sulfur oxide | .002855 | .001122 | .00438 | .034818 | .012447 | .04726 |
| Carbon monoxide | .114974 | .045201 | .17627 | .107817 | .039542 | .14633 |
| Nitrogen oxide | .018566 | .007299 | .02846 | .026895 | .009614 | .03650 |
| Total organic | .023876 | .009387 | .03661 | .023547 | .008418 | .03196 |
| Five day BOD | .002489 | .000979 | .00382 | .005244 | .001875 | .00712 |
| Suspended solid | .001451 | .000670 | .00222 | .002679 | .000958 | .00364 |
| Solid waste | .000284 | .000112 | .00044 | .001005 | .000359 | .00136 |

Table 15. Continued.

| | Service Station | | | Construction | | |
|-----------------|----------------------|----------|---------|----------------|---------|---------|
| | (a) | (b) | (c) | (a) | (b) | (c) |
| Particulates | .040851 | .017692 | .09829 | .011715 | .004515 | .01959 |
| Sulfur oxide | .011803 | .005112 | .02840 | .003704 | .001427 | .00619 |
| Carbon monoxide | 2.918546 | 1.264014 | 7.02249 | .199581 | .076913 | .33373 |
| Nitrogen oxide | .403114 | .174588 | .96996 | .029832 | .011497 | .04988 |
| Total organic | .592982 | .256819 | 1.42681 | .027661 | .010660 | .04625 |
| Five day BOD | .000133 | .000058 | .00032 | .000193 | .000074 | .00032 |
| Suspended solid | .000093 | .000040 | .00022 | .000136 | .000052 | .00023 |
| Solid waste | .000038 | .000016 | .00009 | .000445 | .000171 | .00074 |
| | Retail and Wholesale | | | Transportation | | |
| | (a) | (b) | (c) | (a) | (b) | (c) |
| Particulates | .001590 | .000904 | .00469 | .067625 | .031624 | .12225 |
| Sulfur oxide | .001495 | .000850 | .00441 | .077815 | .036389 | .14068 |
| Carbon monoxide | .052820 | .030046 | .155901 | 1.668404 | .780204 | 3.01619 |
| Nitrogen oxide | .009749 | .005546 | .02877 | .822264 | .384519 | 1.48651 |
| Total organic | .011167 | .006352 | .03296 | .343914 | .160826 | .62174 |
| Five day BOD | .000107 | .000061 | .00032 | .000171 | .000080 | .00031 |
| Suspended solid | .000074 | .000042 | .00022 | .000120 | .000056 | .00022 |
| Solid waste | .000119 | .000069 | .00035 | .000213 | .000100 | .00039 |

Table 15. Continued.

| | Retail Service | | | Local Government | | |
|-----------------|----------------|---------|--------|---|---------|--------|
| | (a) | (b) | (c) | (a) | (b) | (c) |
| Particulates | .009213 | .003912 | .01480 | .003878 | .001445 | .00469 |
| Sulfur oxide | .002973 | .001262 | .00478 | .009150 | .003409 | .01106 |
| Carbon monoxide | .128858 | .054711 | .20702 | .099114 | .036932 | .11979 |
| Nitrogen oxide | .016784 | .007127 | .02697 | .017447 | .006501 | .02109 |
| Total organic | .042914 | .018221 | .06895 | .020921 | .007796 | .02529 |
| Five day BOD | .000203 | .000086 | .00033 | .000273 | .000102 | .00033 |
| Suspended solid | .000144 | .000061 | .00023 | .000220 | .000082 | .00027 |
| Solid waste | .000216 | .000092 | .00035 | .000218 | .000081 | .00026 |
| Households | | | | | | |
| | (a) | (b) | (c) | | | |
| Particulates | .004262 | .001711 | .00311 | (a) Direct and indirect ecologic linkages. | | |
| Sulfur oxide | .004567 | .001833 | .00333 | (b) Environmental impact business income coefficients (EBC). | | |
| Carbon monoxide | .143742 | .057707 | .10496 | (c) Environmental impact household income coefficients (EHC). | | |
| Nitrogen oxide | .022137 | .008887 | .01616 | | | |
| Total organic | .029998 | .012023 | .02187 | | | |
| Five day BOD | .000426 | .000171 | .00031 | | | |
| Suspended solid | .000292 | .000117 | .00021 | | | |
| Solid waste | .000450 | .000181 | .00033 | | | |

local committee making decisions concerned with development of the community. As an example, a community willing to sacrifice something in air quality for additional business output might encourage manufacturing or oyster aquaculture which have lower levels of air quality problems per dollar; while the second planning alternative might consider seeking additional household income which is increased most from retail and wholesale trade and/or oyster aquaculture which have relatively low levels of air problems per dollar of household income.

However, the previous analysis has been concerned only with air quality and eliminates the other elements of environmental quality, which also play important roles in tradeoffs between economic and environmental consideration in decision making of local counties planning for community. If a local committee attempting to encourage business and/or household income while maintaining a high level of environmental quality might usefully trace through Table 15 for indications of the differing impacts of industries on Tillamook County.

However, for the purpose of demonstration, economic and environmental tradeoffs between two industry sectors (other wood processing, plywood mills; and seafood processing, salmon plant) is provided in Table 16. It is assumed that environmental quality, which included air quality (particulates), water quality (5 day BOD),

Table 16. Economic and environmental tradeoffs.

| | Use in Emissions per Dollar of Total Output | | | |
|-----------------------------|---|-----|---|-----|
| | Other Wood Processing (Plywood mill) | | Seafood Processing (Salmon plant) | |
| Particulate (lbs. / \$) | | | | |
| EBOC** | .009 | (0) | .002 | (1) |
| EHC** | .052 | (0) | .007 | (1) |
| 5 Day BOD (lbs. / \$) | | | | |
| EBOC | .002 | (1) | .196 | (0) |
| EHC | .012 | (1) | .818 | (0) |
| Solid wastes (Cu. Yd. / \$) | | | | |
| EBOC | .0027 | (0) | .0007 | (1) |
| EHC | .015 | (0) | .003 | (1) |
| Water intake (Gal. / \$) | | | | |
| EBOC | 1.8 | (1) | 11.9 | (0) |
| EHC | 10.0 | (1) | 50.0 | (0) |
| Electricity (Kwh. / \$) | | | | |
| EBOC | .45 | (1) | .58 | (0) |
| EHC | 2.442 | (0) | 2.416 | (1) |

* EBOC - The direct and indirect environmental impact business output coefficient.

** EHC - The direct and indirect environmental impact household income coefficient.

solid wastes, water intake and electricity, play an equal role of importance in decision making when choosing between the two industrial sectors. Criteria for selecting between the two sectors in this example might include concern with both business output and household income in relation to tradeoffs with environmental quality. For convenience in evaluation, we will put (1) for the industry sector having the least impact and (0) for the other. From Table 16, if we use business output tradeoffs with environmental quality, we will select other wood processing (plywood mills) in the environmental categories of 5 Day BOD (water quality), water intake and electricity. If household income is of higher interest in tradeoffs with environmental quality, we will select seafood processing (salmon plant) in categories of air quality (particulates), solid wastes, and electricity.

Ives's (1977) discussed the input-output model as used to estimate the impact of changes in local sector's export. His work showed the impact on the county economy of loss of a plywood mill which had exports of \$14 million annually. Household income dropped by \$4.4 million with a total economic loss of about \$24 million. Moreover, he showed how the model could be used by Tillamook County for evaluation of the impact that a new plant on the local economy. He used two salmon aquaculture plants to demonstrate impact on the Tillamook County economy.

His work provides a tool which will aid people in the county in making decisions on issues which they find important. And the model can be used as long as the direct coefficients remain fairly constant.

However, the modified input-output (economic - ecologic model) from the present study, shows, in addition, the impact to the county in environmental terms. For example, the salmon aquaculture plants that could operate on Tillamook Bay are examined. Assume that the new plant has only minor local sales with about \$536,000 of exports. By treating the entire output as export, and using direct and indirect ecologic linkage coefficients matrix it is possible to evaluate the impact of the new plant on the county in environmental terms. The total result of this new business activity is estimated to generate 2859 pounds of particulates, 275,589 pounds of 5 Day BOD, and 1,170 cubic yards of solid waste in the county and will consume 19,223,500 gallons of water and 928,503 kilowatt hours of electricity. These computations are easily carried out on a desk calculator, and they are shown in Table 17.

Moreover, the economic-ecologic model is still adequate to estimate the impact on the environmental quality of the county even though the proposed plant, such as salmon aquacultural development, does not fit in any of the industrial sectors currently in the county. The estimate of the impact on environmental quality can be done

Table 17. Impact of Environmental on Tillamook County of Addition of \$536, 000 of a Salmon Exports.

| Environmental Resource or Emission (Unit of Measure) | Gain from addition on salmon exports (Dollars) | Coefficients from direct and indirect linkage (Table 8) (Impact per dollar) | Environmental impact |
|--|--|---|-------------------------|
| Particulates | \$536, 000 | .005331 | 2, 857 lbs. |
| Sulfur oxide | 536, 000 | .005144 | 2, 757 lbs. |
| Carbon monoxide | 536, 000 | .184494 | 98, 889 lbs. |
| Nitrogen oxide | 536, 000 | .044721 | 23, 970 lbs. |
| Total organic | 536, 000 | .038262 | 20, 509 lbs. |
| Domestic water | 536, 000 | 6.541920 | 3, 506, 470 gal. |
| Cooling water | 536, 000 | 1.616316 | 866, 346 gal. |
| Processing water | 536, 000 | 27.706549 | 14, 850, 700 gal. |
| Total water intake | 536, 000 | 35.864700 | 19, 223, 500 gal. |
| Water discharge | 536, 000 | 28.410500 | 15, 288, 000 gal. |
| 5 Day BOD | 536, 000 | .586157 | 314, 180 lbs. |
| Suspended solids | 536, 000 | .230520 | 123, 558 lbs. |
| Solid wastes | 536, 000 | .002184 | 1, 170 cu. yds. |
| Wood | 536, 000 | .000020 | 11 tons |
| Diesel and oil | 536, 000 | .205830 | 110, 325 gal. |
| Gas | 536, 000 | .000095 | 53 10 ⁶ BTU |
| Electricity | 536, 000 | 1.732280 | 928, 503 KWH |

if we know the basic expenditure pattern of the proposed new plant. This basic expenditure pattern of the proposed new plant can be treated entirely as being exported. In this example, the basic expenditure of the proposed salmon aquaculture development is: purchasing from sawmills \$1,000, other wood processing \$1,000, cafe and taverns \$3,000, service stations \$3,000, auto and farm implements \$9,000, construction \$13,000, retail and wholesale sales \$22,000, medical services \$3,000, other professional services \$2,000, financial services \$1,000, retail services \$7,000, local government \$6,000, households \$65,000. The result of this activity, for example, will generate 780 pounds particulates, 14,720 pounds of 5 Day BOD and 59 cubic yards of solid waste to the county and will consume 1,148,010 gallons of water intake, and 307,260 kilowatt hours of electricity. Again the computations can be carried out on a desk calculator by creating a table similar to Table 17 for each of the affected sectors and summing the environmental inputs across the table.

VI. SUMMARY

Air, water, and solid waste pollution are separate components of the overall interrelationship of economic and environmental concerns in Tillamook County, Oregon.

The general objective of this study is to develop a systematic evaluation of the interrelationships between issues of the environment and economic growth for Tillamook County. In order to gain some appreciation for the complexities between environment and economic development, specific objectives were established: 1) to identify relevant economic-ecologic linkages in Tillamook County and quantify these linkages for incorporation into the model (Chapter 4), 2) to develop environmental impact business output and household income coefficients (Chapter 5), and 3) to indicate the use of the economic-ecologic model in environmental planning (Chapter 5).

Fulfillment of the first objective required incorporation of environmental and pecuniary values into a single model. That required an economic-ecologic model with empirical content, which evolved from an input-output developed by Ives (1977). The second step necessitated building a seventeen by twenty-four environment matrix representing seventeen environmental use or pollutant loads and the utilization of these loads by the twenty-four economic sectors. The data in the environmental matrix was obtained from

both interview and secondary resources. The final step in completing economic-ecologic model was accomplished by multiplying the environmental matrix by the inverse matrix of the input-output matrix (Leontief inverse matrix). The interaction between the two systems is translated into exports to and the imports from the ecologic system by the economic system. One should realize that the estimation of the ecologic impacts of various economic activities, however, did not necessarily require qualification of the entire ecologic system but only the points where the economic and ecologic systems are directly linked.

To fulfill the second objective two manipulations were made on the data provided by the model. Estimates were developed of environmental impact business output coefficients (EBOC), and environmental household income coefficients (EHC). EBOC (Table 10) and EHC (Table 11) will be helpful in evaluating possible trade-offs between economic growth and environmental quality which can be used in environmental planning.

With the EBOC and EHC the third objective can be fulfilled, a community or a local committee concerned with environmental quality, can now determine which sector will result in the least environmental load per dollar of business and/or household income generated. This analysis permits the community to select one

among several alternatives in which one may wish to review various tradeoffs between business output and household income with environmental quality.

BIBLIOGRAPHY

- Ayres, Robert V. and Allen Y. Kneese. 1970. "Production, Consumption, and Externalities," *American Economic Review*. 59:3-14.
- Boulding, Kenneth E. 1972. "The Economics of the Coming Spaceship Earth," in Jarrett, Henry, ed., *Environmental Quality in a Growing Economy*, Baltimore, Johns Hopkins Press.
- Ciriacy-Wantrup, S. C. 1954. "The Role of Benefit-Cost Analysis In Public Resource Development," *Water Resources and Economic Development of the West*, Western Agricultural Research Council, Berkeley, California, Report No. 3. 195.
- Collin, Theodore G. 1970. An interindustry analysis of the effect of a new industry on the public and private sectors in Clatsop County, Oregon. Master's Thesis, Corvallis, Oregon State University.
- Corder, Stanley E., T. L. Scroggins, W. E. Meade and G. D. Everson. 1972. *Wood and Bark Residues in Oregon: Trends in Their Use*. Forest Research Laboratory, School of Forestry, Oregon State University, Corvallis, Oregon. Research Paper 11. March.
- Corder, Stanley E. 1973. *Wood and Bark as Fuel*. Forest Research Laboratory, School of Forestry, Oregon State University, Corvallis, Oregon, Research Bulletin 14. August.
- Darmstadter, Joel. 1972. "Energy", U.S. Commission on Population Growth and the American Future. Population, Resources and the Environment in Renald G. Ridker, ed., Vol. III of Commission Research Reports. Washington, D.C. Government Printing Office.

Davis, H. C. 1968. Economic Evaluation of Water, Part V: Multiregional Input-Output Techniques and Western Water Resource Development, University of California, Berkeley, California, Water Resources Center, Contribution No. 125.

Department of Environmental Quality. Revised Oregon Administrative Rule Chapter 340 Division 7. Subsurface and Alternative Sewage Disposal. State of Oregon. September 1, 1975.

Ehinzer, Paul F., Jr. 1974. Clatsop-Tillamook Solid Waste Management Plan, UMA Nortee Inc. 1500 S. W. Forest Avenue, Portland, Oregon. June.

Environmental Protection Agency Water Quality Office Project 12070 ECF, April 1970. Current Practice in Seafoods Processing Waste Treatment - Water Pollution. Contact Research Series 12060 EFC 04/70, Washington, D. C. 20242

Fischer, Sylvia L. 1976. Office Manager Tillamook Water Commission. Personal Communication. Tillamook, Oregon. November.

Folz, W. 1957. "The Economic Dynamics of River Basin Development," Law and Contemporary Problems 22(2):211.

Hayes, Sam. Oyster grower and packer. Personal communication, Tillamook, Oregon.

Henian, Lloyd; Betty Chou and Ray Lewis. Department of Transportation. Personal communication. Salem, Oregon.

Isard, Walter and Others. 1967. "On the Linkage of Socio-Economic and Ecologic Systems," Regional Science Association Papers 21:79-99,

Isard, Walter. 1968. "Some notes on the linkage of ecologic and economic systems," Regional Science Association Paper. 22:85-96.

Ives, Edward E. 1977. "Report on Solid Waste Transportation Study for Clatsop and Tillamook Counties. Oregon Title V Project under the Rural Development Act of 1972. Department of Agricultural and Resource Economics, Oregon State University, January.

- Ives, Edward E. 1977. Input-Output Models Estimates From Data: Sampling Considerations and Parameter Variability. Ph. D. thesis, Oregon State University, Corvallis, Oregon.
- Ives, Edward E. and Russell Youmans. Business Interrelationships of the Tillamook County Economy. A Study for Analysis of Economic Change. Corvallis, Oregon State University, Agricultural Experiment Station, forth coming.
- Laurent, A. E. and James C. White. 1971. "Economic-ecologic analysis in the Charleston metropolitan region. An Input-Output Study. Water Resource Research Institute, Clemens University, South Carolina. April.
- Leontief, W. W. 1936. "Quantative Input-Output Relations in Economic System of the United States," The Review of Economics and Statistics. 28:105-125.
- Livestock Waste Facilities Handbook. 1976. Midwest Plan Service, Iowa State University, Iowa. February.
- Lofting, E. M. and P. M. McGauhery. 1963. Economic Evaluation of Water, Part III An Interindustry Analysis of the California Water Economy, University of California, Berkeley, California, Water Resource Center, Contribution No. 67. January.
- McMahon, Robert. Associate Professor of Forest Products Economics, Personal communication, Oregon State University, Corvallis, Oregon.
- Massey, John. County Extension Agent. Personal communication. Courthouse, Tillamook County, Oregon.
- Messer, Gary W. Assistant Administrator Solid Waste and Sub-surface Programs Salem-North Coast Region, Department of Environmental Qualtiy, Personal communication, Salem, Oregon.
- Miernyk, W. M. 1965. The Elements of Input-Output Analysis, New York, Random House.
- National Power Survey. 1964. A Report by the Federal Power Commission. 1964. U. S. Government Printing Office. Washington, D. C. October.

- Newman, Phillip Charles. 1952. The Development of Economic Thought, Englewood Cliffs, New Jersey, Prentice-Hall, Inc.
- Robert, Kenneth L. 1973. Economic and Environmental Tradeoffs in an Estuarine Based Economy: A Modified Input-Output Model of Clatsop County, Oregon. Ph. D. thesis, Corvallis, Oregon State University.
- Schurr, Sam H. and Bruce C. Netschirt. 1960. Energy in the American Economy, 1850-1975. John Hopkins Press.
- Sheldon, Dennis. City Recorder. Personal communication, Garibaldi, Tillamook County, Oregon
- Skrotzhi, Bernhardt G. A. and William A. Yoput. 1960. Power Station Engineering and Economy. McGraw-Hill Publishing Company, Ltd. New Delhi.
- Soderquist, Michael R. Environmental Associates, Inc. Personal communication, Corvallis, Oregon.
- Spiegel, William. 1952. The Development of Economic Thought, New York, John Wiley and Sons, Inc.
- Stacy, Bruce. Power Use Advisor Tillamook P.U.D. Personal communication. Tillamook, Oregon
- Stanford Research Institute. 1954. America's Demand for Wood 1925-1975. Stanford, California, June.
- Stein, Roy and Pete Sutton. Plant Superintendent and Plant Manager Tillamook County Creamery Association. Personal communication. Tillamook, Oregon.
- St. Louis, David W. Supervisor Air and Noise Program Salem-North Coast Region. Department of Environmental Quality. Personal communication, Salem, Oregon.
- Tillamook P.U.D. Annual Report. 1976. Tillamook County, Oregon.
- Tilson, Murray M. Supervisor, North Coast Branch Salem-North Coast Region, Clatsop, Lincoln and Tillamook Counties, Department of Environmental Quality. Personal communication.

United Nations Food and Agricultural Organization. 1971. Year-book of Forest Products, 1969-1970.

United States Environmental Protection Agency, No. 68-01-1526. 1973. Canned and Preserved Fish and Seafoods Processing Industry. July.

United States Forest Service. 1958. Timber Resources for America's Future. Forest Service, U.S. Department of Agriculture, Forest Resource Report 14. January.

Wood, Richard M. Air Quality Engineer, Environmental Section Highway Division. Department of Transportation. Personal communication, Salem, Oregon.

Youmans, Russell, W. Rompa, and E. Ives. 1977. The Tillamook County Economy: A Working Model for Evaluating Economic Change. Oregon State University Extension Service. Special Report 478. March.

APPENDICES

APPENDIX A

Sector and Strata Definitions for Tillamook County Input-Output Model

| Sector No. | Strata No. | Sector Name/Strata Definition | Population Size | Sample Size |
|------------|------------|--|-----------------|-------------|
| 01 | | Silviculture: firms and government agencies engaged in the establishment, culture, and sale of standing timber | | |
| | 01 | U. S. Forest Service, U. S. Bureau of Land Management, Oregon State Forestry Department, and divisions of private companies engaged in the establishment, culture and sale of standing timber in Tillamook County. | 4 | 4 |
| | | Total | 4 | 4 |
| 02 | | Logging and log hauling firms | | |
| | 01 | Logging firms in Tillamook County which do their own log hauling | 5 | 2 |
| | 02 | Logging firms in Tillamook County which do not do their own hauling | 12 | 4 |
| | 03 | Log hauling firms in Tillamook County | 15 | 2 |
| | | Total | 32 | 8 |
| 03 | | Sawmills | | |
| | 01 | Firms, or divisions of firms, which operate sawmills in Tillamook County requiring the purchase of timber | 3 | 2 |
| | 02 | Sawmills with their own timber supply in Tillamook County | 1 | 1 |
| | | Total | 4 | 3 |
| 04 | | Other wood processing firms | | |
| | 01 | Plywood mills in Tillamook County | 2 | 1 |
| | 02 | Shake and shingle companies and other primary wood processing companies in Tillamook County | 7 | 4 |
| | | Total | 9 | 5 |
| 05 | | Commercial agricultural firms | | |
| | 01 | Tillamook County dairy farms which sell their milk to firms located in Tillamook County | 175 | 6 |
| | 02 | Tillamook County dairy farms which sell their milk to firms not located in Tillamook County | 74 | 6 |
| | 03 | Fur farms in Tillamook County | 8 | 2 |
| | | Total | 257 | 14 |
| 06 | | Commercial fishermen | | |
| | 01 | Licensed commercial fishermen who live and own boats in Tillamook County and derive primary income from fishing, crabbing, etc. | 13 | 5 |
| | 02 | Licensed commercial fishermen who live and own boats in Tillamook County and derive secondary income from fishing, etc. | 36 | 3 |
| | | Total | 49 | 8 |

| Sector No. | Strata No. | Sector Name/Strata Definition | Population Size | Sample Size |
|------------|------------|--|-----------------|-------------|
| 07 | | Oyster aquaculture firms | | |
| | 01 | Firms which raise oysters commercially in Tillamook County | <u>3</u> | <u>3</u> |
| | | Total | 3 | 3 |
| 08 | | Seafoos processors | | |
| | 01 | Firms which process seafood in Tillamook County | <u>4</u> | <u>2</u> |
| | | Total | 4 | 2 |
| 09 | | Formal tourist lodging | | |
| | 01 | Hotels and motels in Tillamook County | 79 | 9 |
| | | Neskowin Lodge and Condominiums | <u>1</u> | <u>1</u> |
| | | Total | 80 | 10 |
| 10 | | Informal tourist lodging | | |
| | 01 | Campgrounds in Tillamook County operated by agencies of the Federal, State, or County governments | 4 | 4 |
| | 02 | Private campgrounds and trailer parks in Tillamook County | <u>21</u> | <u>7</u> |
| | | Total | 25 | 11 |
| 11 | | Sport fishing and marinas | | |
| | 01 | Marinas and moorages in Tillamook County | 9 | 5 |
| | 02 | Charter fishing services in Tillamook County | <u>7</u> | <u>2</u> |
| | | Total | 16 | 7 |
| 12 | | Cafes and taverns | | |
| | 01 | Bars and taverns in Tillamook County | 20 | 4 |
| | 02 | Fast food establishments in Tillamook County | 10 | 4 |
| | 03 | Restaurants and cafes in Tillamook County | <u>44</u> | <u>7</u> |
| | | Total | 74 | 15 |
| 13 | | Service stations | | |
| | 01 | Gasoline stations in Tillamook County | <u>45</u> | <u>5</u> |
| | | Total | 45 | 5 |
| 14 | | Automobile and farm implement sales firms | | |
| | 01 | New and used car, truck, and farm implement sales firms in Tillamook County | <u>8</u> | <u>3</u> |
| | | Total | 8 | 3 |
| 15 | | Manufacturing firms | | |
| | 01 | Food manufacturers (Tillamook County Creamery Assn.) | 1 | 1 |
| | 02 | Iron works, machine shops, marine builders and repair companies, tipi makers, non-wood roofing materials manufacturers, and non-profit manufacturing by handi-capped workers in Tillamook County | <u>12</u> | <u>4</u> |
| | | Total | 13 | 5 |

| Sector No. | Strata No. | | Population Size | Sample Size |
|---------------|---------------|---|--------------------|----------------|
| 16 | | Construction firms | | |
| | 01 | Building contractors and developers in Tillamook County | 25 | 4 |
| | 02 | Plumbing, heating, painting, roofing, electrical, and floor covering contractors, and cabinet makers in Tillamook County | 28 | 3 |
| | 03 | Excavating, paving, sand and gravel, landscaping, and forest road building companies in Tillamook County | 18 | 3 |
| | 04 | Building materials suppliers in Tillamook County | 8 | 3 |
| | | Total | 79 | 13 |
| 17 | | Retail and wholesales sales firms | | |
| | 01 | Grocery stores, bakeries, pharmacies, retail liquor and wine stores, and gift shops in Tillamook County | 70 | 10 |
| | 02 | Hardware, sporting goods, appliance, auto parts and accessories, clothing, yardage, variety, music, catalogue, pet, office equipment and supply, book, carpet, paint, bicycle, gum, jewelry, and furniture stores, florists, nurseries, and printing shops in Tillamook County | 89 | 11 |
| | 03 | Art galleries, antique shops, 2nd hand stores, rock, candle, and ceramics shops in Tillamook County | 20 | 5 |
| | 04 | Wholesale suppliers of firms listed above, feed and seed, and other agricultural supply stores, loggers' and welders' supply stores, beer, wine and soft drink distributors, hotel and motel suppliers, and petroleum products and bottled gas distributors in Tillamook County | 31 | 6 |
| | | Total | 210 | 32 |
| 18 | | Transportation firms | | |
| | 01 | Rail and motor transportation companies in Tillamook County | 5 | 2 |
| | | Total | 5 | 2 |
| 19 | | Medical services | | |
| | 01 | Hospitals and nursing homes in Tillamook County | 5 | 3 |
| | 02 | Physicians, osteopaths, chiropractors, and dentists practicing in Tillamook County | 26 | 3 |
| | | Total | 31 | 6 |
| 20 | | Other professional services | | |
| | 01 | Accountants, business and tax consultants, surveyors, lawyers, morticians, veterinarians, consulting engineers, dental laboratories, ambulance services, real estate and insurance agencies, and credit referral services in Tillamook County | 66 | 6 |
| | | Total | 66 | 6 |
| 21 | | Financial services | | |
| | 01 | Banks, savings and loan associations, credit unions, and finance companies in Tillamook County | 10 | 3 |
| | | Total | 10 | 3 |

| Sector No. | Strata No. | Sector Name/Strata Definition | Population Size | Sample Size |
|------------|------------|--|-----------------|-----------------|
| 22 | | Retail services | | |
| | 01 | Barber and beauty shops, cleaners, and recreation places in Tillamook County | 42 | 8 |
| | 02 | Auto and appliance repair shops, breeding services, private day care centers and kindergartens, janitorial services, auctions, towing services, pet grooming shops, septic tank cleaners, garbage collection services, dispatching companies, towing services, and photographers in Tillamook County | 55 | 4 |
| | 03 | Telephone and telegraph companies, newspapers, broadcasting companies, private grade schools and high schools, industrial parks, and electric utility companies in Tillamook County | 13 | 6 |
| | 04 | Public water systems in Tillamook County <u>not</u> operated by the incorporated cities of Tillamook, Bay City, Garibaldi, Rockaway, Wheeler, Nehalem, and Manzanita | 33 | 3 |
| | 05 | Churches in Tillamook County | 34 | 3 |
| | | Total | 177 | 24 |
| 23 | | Local Government | | |
| | 01 | Tillamook County Government (excluding a county operated campground included in sector 10) the governments of the seven incorporated cities in Tillamook County, the seven school districts in Tillamook County, assorted other small taxing authorities including sanitary districts, rural fire protection districts special districts, and port authorities (excluding the airport industrial park of the Port of Tillamook Bay which is included in sector 22) | 16 ¹ | 15 ¹ |
| | | Total | 16 | 15 |
| 24 | 01 | Households in Tillamook County | N/A | N/A |

¹ The assorted small taxing authorities accounted for about 2% of the total local government sector. Rather than interview

APPENDIX B

Table 18. Output multipliers and income multipliers by sector for Tillamook County, Oregon, economy.

| | | Output Multiplier | Income Multiplier |
|-----|-----------------------------|----------------------|----------------------|
| 1. | Silviculture | 1.76975 | 2.57192 |
| 2. | Logging and log hauling | 2.52187 | 1.61828 |
| 3. | Sawmills | 2.25029 | 2.25943 |
| 4. | Other wood processing | 1.73181 | 1.70469 |
| 5. | Commercial agriculture | 2.78742 | 2.4320 |
| 6. | Commercial fisherman | 2.72465 | 1.63714 |
| 7. | Oyster aquaculture | 2.29032 | 1.61442 |
| 8. | Seafood processing | 3.00387 | 3.04770 |
| 9. | Formal tourist lodging | 2.34857 | 2.09005 |
| 10. | Informal tourist lodging | 2.72989 | 2.73302 |
| 11. | Sport fishing and marinas | 2.54364 | 1.72816 |
| 12. | Cafes and taverns | 2.79736 | 1.77286 |
| 13. | Service stations | 2.30895 | 2.36069 |
| 14. | Auto and farm implements | 1.44676 | 1.52721 |
| 15. | Manufacturers | 2.72451 | 3.45201 |
| 16. | Construction | 2.59478 | 2.09486 |
| 17. | Retail and wholesale sales | 1.75799 | 1.63243 |
| 18. | Transportation | 2.13842 | 1.59047 |
| 19. | Medical services | 2.89749 | 1.51759 |
| 20. | Other professional services | 2.95242 | 1.47088 |
| 21. | Finances services | 3.03056 | 1.40476 |
| 22. | Retail services | 2.35514 | 1.66907 |
| 23. | Local government | 2.68371 | 1.51934 |
| 24. | Households | 2.49090 | 19.02572 |