To the Graduate Council:

I am submitting herewith a thesis written by Betty Birckhead Vickers entitled "A Comparison of Tourism and Manufacturing Economies in Quasi-Rural Counties." I have examined the final copy of this thesis for form and content and recommend that it be accepted in partial fulfillment for the degree of Master of Science in Planning, with a major in Planning.

David A. Patterson, Major Professor

We have read this thesis
and recommend its acceptance:

Accepted for the Council.

Associate Vice Chancellor and
Dean of the Graduate School

A COMPARISON OF TOURISM AND MANUFACTURING ECONOMIES IN QUASI-RURAL COUNTIES

A Thesis
Presented for the
Master of Science in Planning Degree
The University of Tennessee, Knoxville

Betty Birckhead Vickers
May 2000

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DEDICATION

This thesis is dedicated to my husband,
Vic — or Coppley to most of our friends,
who has never doubted my ability to achieve whatever goals I have pursued
and has always been as source of encouragement and support.

This is also dedicated to my mother,
Mona Birckhead Eager,
who has always given me unconditional love and acceptance
and has provided an example of what it means to "live a *good* life".

ACKNOWLEDGMENTS

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Finally, I wish to thank my family, especially my husband, our children — Ned, Rebecca and Margaret Anne, my mother, and Pat, for their encouragement and their patience. When I had to carve out blocks of time in an already crowded schedule, they were the ones to suffer and fill the gaps. They have joyously shared my enthusiasm for this experience and practiced an uncommon level of independence. For this, I thank them and promise to spoil each of them with a more normal level of support in the future.

ABSTRACT

Traditionally, state and local governments have sought to improve the lives of their residents by attracting manufacturing industries. Communities with natural advantages for tourism are often criticized for their lack of interest in pursuing new manufacturing plants. Because of the dominance of the marketplace, jobs in tourism areas are concentrated in trade and service industries. Although both tourism and manufacturing industries provide tax revenues to state and local governments and receive infrastructure from these governments, decision-makers question the wisdom of allowing jobs to concentrate in non-manufacturing industries. Critics claim that tourism jobs provide a lower standard of living for residents of tourism communities as compared to manufacturing communities.

This thesis investigates the issues of job growth and changes in the standard of living in tourism- and manufacturing-based counties over a period of twenty-five to thirty years. The study is limited to three recognized tourism counties with populations less than 100,000 selected from three regions of the United States. These were paired with manufacturing counties of a similar population size located in the same state.

This study concludes that manufacturing-based economies in quasi-rural counties do not provide a higher standard of living than tourism-based economies. In fact, indicators like poverty, income, education, jobs, healthcare, government revenue and environmental impacts are more positive for tourism counties. Negative effects of tourism are higher unemployment, higher crime rates, and a slightly higher cost for housing. These results support a balanced approach to growth that uses a county's comparative advantage.

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CHAPTER ONE

Introduction

Tourism is becoming an increasingly important sector of the U.S. economy. It is seen as a way to develop rural communities and as a means to revitalize urban centers. Although there is no standard industrial classification dedicated to tourism, it does not go unnoticed in economic reports and forecasts. Most states have recognized its importance by establishing departments devoted solely to the development of tourism. Additionally, state and local economic development agencies, once devoted entirely to securing and retaining manufacturing plants, are now recognizing the revenue potentials of tourism venues and joining the effort to recruit tourism establishments.

The history of tourism can be traced to the pre-industrial era in Europe when travel was limited to the wealthy and pursued mainly for its health restoring qualities. Destinations included places like natural healing springs and the seashore. Eventually, amusements and other forms of recreation were added to these destinations. As industrialization has provided more leisure time for an even broader segment of the population, travel opportunities have become more widespread and the economic importance of tourism has grown.

Much of the tourism literature is devoted to the importance of tourism in European economies where the establishment of tourist destinations is seen as a way to balance international trade and provide jobs. By contrast, domestic and even intrastate tourism is the focus of much of the present tourism development effort in the United States. In their efforts to balance budgets and provide jobs for residents, state and local governments often

view tourism as a promising alternative to manufacturing in areas that have difficulty attracting manufacturing firms.

Research Questions

While many government and business leaders promote tourism development, others question the opportunity costs of such efforts. All but the strongest tourism advocates ask the following questions:

> *Given the necessary resources of land, labor, capital and location, can tourism provide growth and development comparable to manufacturing industry concentrations?*
>
> *Moreover, can a county and its residents benefit from a concentration in tourism?*

These are the research questions addressed in this study.

Methodology

Three recognized tourism communities from different states were selected for this study so that the common effects of tourism could be generalized to other quasi-rural, tourism communities. After extensive data collection, a comparative method was used to determine whether or not the focus on tourism was beneficial to the average resident of these successful tourism communities over the long-term. A period of twenty to thirty years was deemed sufficient to note the effects of tourism in each county. This analysis provided an assessment of the growth possible for small, quasi-rural tourist destinations. Each tourism county was also compared to a non-tourism county located in the same state and having a

similar-sized population in 1970. The paired-counties were also selected with regard to industry concentration as measured by the percentage of total employment in manufacturing in 1997. Manufacturing concentrations ranged from 25 percent for Greene County, Tennessee to 35 percent for St. Joseph County, Michigan. Twenty years of historical data were used with most comparative data points beginning in 1970 or 1972. Data sources include the decennial population censuses for 1970, 1980 and 1990 with estimates extending to 1998; the economic and government censuses, taken every five years and available from 1972 through 1997; and the Bureau of Economic Analysis data from the Regional Economic Information System for 1972 through 1997. The counties selected for the study are:

Tourism counties	**Manufacturing counties**
Sevier County, Tennessee	Greene County, Tennessee
Taney County, Missouri	Barry County, Missouri
Grand Traverse County, Michigan	St. Joseph County, Michigan

While tourism data usually focus on tax receipts, motel and hotel occupancies, and visitations, additional data are required for a comparison of tourism and non-tourism economies. Data, gathered for each of the six study-counties, address improvements in the quality of life for county residents. These include information on income, jobs, population, retail sales, government employment, government revenues and expenditures, cost of housing, the incidence of poverty, level of transfer payments and educational attainment. These data are presented in charts and tables in addition to narrative analyses. In order to

make the information more understandable, data are shown as per capita measures and percentages. Comparability is insured by using data from published federal sources.

Relevance and Research Value

Identifying the costs and benefits of tourism is essential for government officials charged with planning for sustainable growth and development. However, most often these practitioners are more familiar with the advantages of manufacturing establishments than they are with similar detail of the tourism industry. Both industries have important infrastructure requirements that must be understood by local governments. Lacking a basic knowledge of the comparative advantages of these two basic industries, government leaders in communities heavily committed to tourism may not be able to see alternatives until tourism slows or stops. On the other hand, leaders in non-tourism communities may continue to seek manufacturing jobs and never reap the rewards that tourism might offer.

This study can also benefit government agencies that develop and maintain tourist attractions in that it identifies costs and benefits accrued to adjacent communities. Examples include the Great Smoky Mountains National Park, the Big South Fork National River and Recreation Park and the Grand Canyon National Park.

The comparative advantages that government and business leaders must consider include opportunity costs, social, fiscal and environmental costs and benefits. Opportunity costs occur because tourism and manufacturing often compete for the same resources of land, labor, and capital. Resource use in one business precludes alternative uses of that resource or a lost opportunity for other uses. Social impacts affect costs and quality of life

of individuals who reside in the community. Fiscal impacts include revenues received and expenditures required to provide the necessary infrastructure to serve that industry and any additional population required by that business. Physical effects of the industry and it's workers on the land, air, water, vegetation and animal population are included in environmental impacts. The tourism industry adds the additional environmental burden of customers or consumers to the analysis. By comparing tourism and manufacturing communities for each of these criteria, one can better assess the overall impact of economic development decisions.

Scope of Research

This study is limited to a selected sample of successful, quasi-rural tourist destinations paired with comparable manufacturing counties. Care was taken to include communities from three different regions of the country and the changes that occurred in these counties and their respective states over a 25-year period. The economic, social, fiscal and environmental variables used in this analysis are those most often associated with tourism from the economic development literature. These variables include population change, job creation, employment, unemployment rates, income, poverty, transfer payments, government revenues and expenditures, educational attainment, housing costs, and water and sewerage availability.

Definitions

An understanding of the tourism industry must begin with the definition of a tourist. Murphy notes that the current definition originated from the United Nations Conference on Travel and Tourism in 1968. Here we learn that a visitor is someone who usually resides in another country and who is not paid for any type of work by a resident or a domestic company. (Murphy 1985, 5). Although this definition identifies the international tourist, it can and is easily adapted to domestic tourism by substituting *state* or *county* for *country*. Other definitions specify the distance that a tourist must travel from home or require an overnight stay. However, the key concept in each definition focuses on the individual's usual residence and place of employment. Gunn concurs as he identifies Alister Matheison and Geoffrey Wall's definition of tourism (Gunn 1994, 1). Matheison and Wall describe a tourist as someone who *temporarily* moves to a place other than their place of work or place of residence. Moreover, they extend the definition of tourism to include any services or facilities that these individuals use while visiting outside their place of work or residence (Matheison and Wall, 1982, 1).

A tourist's expenditures on services represent new money to the local economy much like that of a basic industry where an exported product brings new money into the economy in which it was produced. Tourism is not just vacation travel. Tourists travel to areas for entertainment, recreation, shopping, business meetings and conventions. Tourism venues are often called destinations. Although most tourism occurs in destination areas, tourism benefits are also enjoyed by communities along transportation corridors and at travel stops such as airports, ports and rail stations.

CHAPTER TWO

Tourism Venues

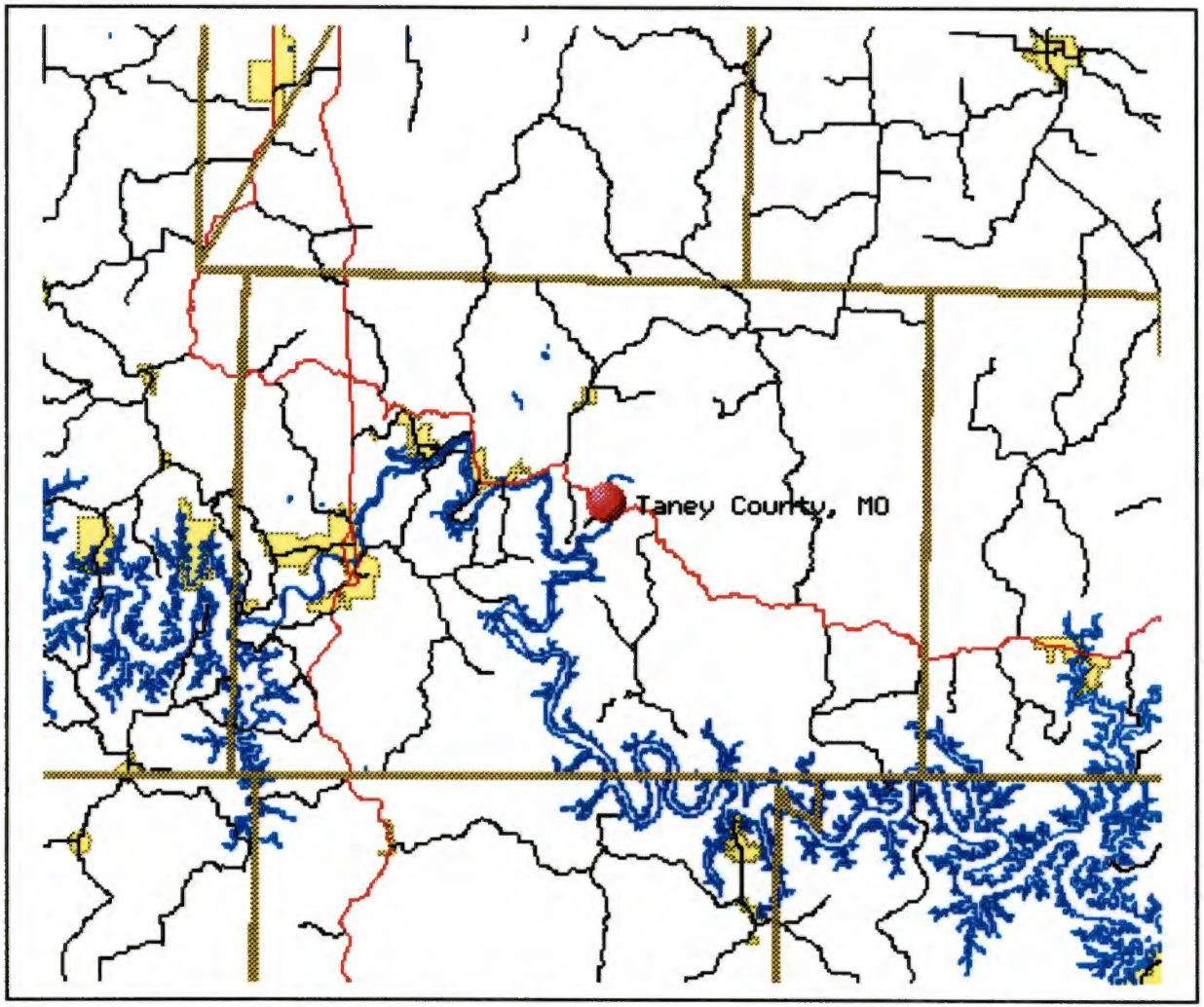
Successful rural or quasi-rural tourism destinations are nearly always places of extraordinary beauty that are also easily accessible to millions of people. These special attractions include beaches, lakes, mountains, and waterfalls which provide a comparative advantage for tourism for the communities in which they are located. Moreover, the development costs of these resources are minimal to the host communities. In some cases the special attraction is so important that the government purchases the land and manages it to insure access for a broad range of visitors. This is the case for the National Parks. Regardless of whether the attraction is a government-owned nature reserve or a privately-developed theme park like Disneyland, the communities adjoining it have an important role to play. These communities, called *gateways*, provide accommodations, services and supplies to visitors As gateway communities mature they may even become destinations themselves. For example, some visitors to Pigeon Forge, Tennessee never set a foot into the Great Smoky Mountains National Park, but they gaze at the mountains on their long slow drive into town from Interstate 40 and feel a certain comfort of returning to the mountains. Most often, these visitors are not among the nearly 10 million visitors that the Park counts each year, but they buy postcards to send home and tell their friends that they vacationed in the Smokies.

Each tourism community selected for this study has a natural advantage for tourism. Long ago, entrepreneurs accepted the challenge of packaging visitor services and entertainment in these communities because of the comparative advantages. The continued growth and popularity of these destinations attest to the fact that their government and business communities continue to meet the challenges of providing infrastructure and repackaging entertainment and services for today's tourism market. Moreover, the residents in these communities have embraced tourism as evidenced by their participation in long range plans that endorse tourism.

Branson, Missouri

Branson, located in the Tri-Lakes Region of Missouri's Ozark Mountains, is noted for its music theaters, mountain culture and scenic location. With a population of nearly 5,000 in 1998, Branson is the largest city in Taney County. Smaller cities and villages include Hollister, Forsyth, Rockaway Beach, Merriam Woods, Bull Creek, Taneyville and Table Rock. (See Figure 2.1).

Branson was founded in 1903 as a logging town and became incorporated in 1912. The early settlers were of Scottish, Irish and English descent who had first settled in Tennessee, North Carolina, Kentucky and other eastern states. After logging the forests and depleting the wild game in their frontier home, these early settlers turned to farming. However, clearing and cultivation of the steep slopes led to erosion and poor soils. Moonshine soon became the most profitable product of the area. In these early days, tourists selected accommodations in one of three hotels or tourist cabins. Hobart McQuarter built



Figure–2.1: Taney County, Missouri. U.S. Bureau of the Census, TIGER File.

the first tourist cabins along the White River. They were built on stilts and chained by cable to keep them from washing away in the floods. Business profits from tourism allowed many businesses in Taney County to survive the Depression and the bank failures. (Branson USA Online, 1999).

Taney County first became famous in the early 1900's as the setting for Harold Bell Wright's novel *"The Shepard of the Hills."* Shortly after its publication, readers began to travel by train to Hollister to learn more about the curious lifestyle of the novel's characters. Fishermen also have long enjoyed the excellent fishing provided by the White River. Dams, constructed in 1913, formed the lakes for which this area is known. Between 1900 and 1950, the tourism center of the Ozarks gradually moved from Hollister to Rockaway Beach before settling in Branson in the late 1950's. Branson attributes its popularity to the construction of Table Rock Dam 22 miles upstream from Lake Taneycomo. The waters of the newly-constructed Table Rock Lake were very pleasant for swimming, boating and bass fishing, but the new waters for Lake Taneycomo now flowed from the bottom of Table Rock and were extremely cold. Although Taneycomo was no longer pleasant for swimming and skiing, it was perfect for trout (Branson USA Online, 1999). In fact, fishing has become such an important attraction in the Lakes Area that a fishing HOTLINE is updated weekly on the Branson web site. (Tri-Lakes.Net.Inc., 1999).

Entertainment opportunities for guests began as early as 1889 when William Lynch, a Canadian miner and dairyman, purchased Marble Cave and renamed it "Marvel Cave." He operated this attraction for nearly 50 years before Hugo Herschend, a vacuum cleaner salesman from Chicago purchased it. Meanwhile, many artists and craftsmen settled in the area. One of these artists, Steve Miller, built an adoration scene on Mount Branson with

figures that stood 28 feet high. Special lighting enabled visitors to see this scene from most locations in Branson. An Adoration Parade was begun in 1953 (Branson USA Online, 1999).

Although it had been operated as an attraction for half a century, Marvel Cave was rebuilt by Hugo Herschend's heirs in 1960. They also constructed a train to pull visitors 218 feet to the surface of the cave and added an Ozark village before renaming the attraction "Silver Dollar City." That same year, Trundle started an outdoor drama based on "The Shepard of the Hills." A third attraction, a country music show named "The Baldknobbers," was also started in 1960 on the Branson lakefront featuring the Maybe brothers. These three attractions continue to be popular with visitors to Branson today (Branson USA Online, 1999).

In addition to these time-honored attractions, sixty-eight shows are listed on Branson's web site. These feature such diverse and popular entertainers as Wayne Newton, the Radio City Rockettes, The Platters, the Oak Ridge Boys, Glen Campbell and Andy Williams. Today, visitors can choose among a variety of accommodations and types of restaurants. In addition to fishing, boating, theaters and theme parks, outlet shopping has become a favorite pastime in Branson (Tri-Lakes.Net.Inc., 1999).

As in many tourism destinations, Branson's traffic has become a major problem. In fact, traffic problems can be traced to the opening of "Sliver Dollar City" and "The Shepard of the Hills" production in 1960. That same year, The Missouri Pacific Railroad canceled passenger service to the area. Tourists who had traveled to this area for many years by train were forced to use highways along with first-time visitors. The Ozarks' terrain presents a challenge for road construction leaving few routes to enter and leave Branson. Therefore, solutions to this dilemma were limited. Today, the Branson web site even posts traffic

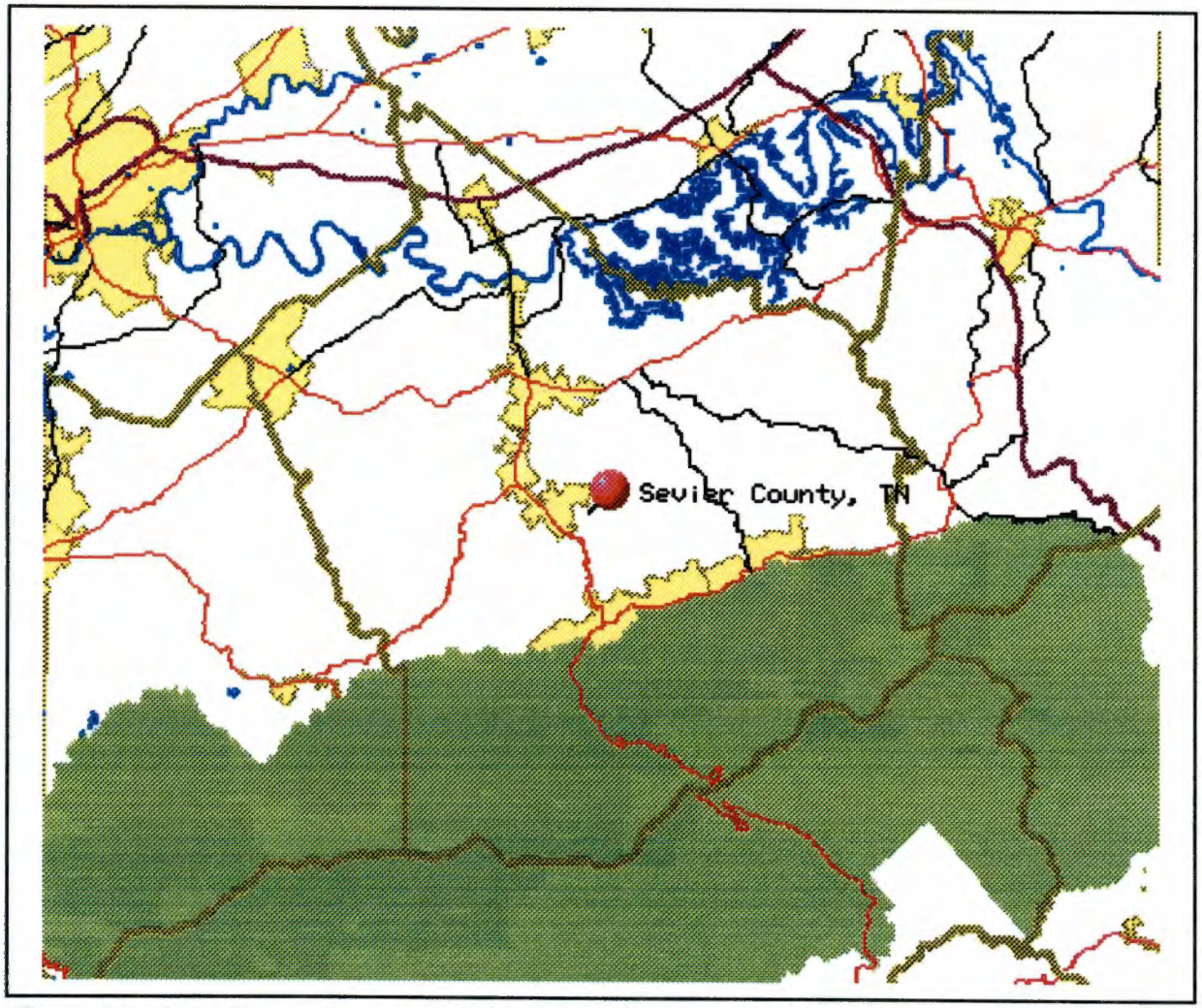
updates every five minutes. These updates detail each side of the road separately and classify the current situation as: *no congestion*, *slow traffic* and *very slow traffic* (Tri-Lakes.Net.Inc., 1999).

Recent growth also prompted annexations which increased the area of Branson from six square miles in 1985 to seven in 1990 and twelve square miles in 1999. Last year, the Missouri Economic Development Council awarded Branson the "Certified City" designation for its self assessment study.

Gatlinburg, Pigeon Forge, Sevierville, Tennessee

Sevier County's gateway communities provide accommodations, services, supplies and entertainment to visitors to the Great Smoky Mountains National Park as well as other visitors who just come for the local hospitality (See Figure 2.2). Although many trace Sevier County's tourism to the dedication of the National Park on September 2, 1940, visitors had already been vacationing in the area for more than a hundred years before this historic occasion.

Beginning as early as 1830, springs and spas in the mountains of Sevier County provided mineral baths and summer retreats for visitors. Between 1870 and 1935 the spa business flourished in Sevier County. *Glen Alpine*, also known as *Yellow Springs,* was built on the south side of English Mountain. *Seaton Springs* was at the foot of Shields Mountain. *Dupont Springs* was built on the top of Bluff Mountain in Wear's Valley. *Line Springs* was located on Round Top Mountain which is also in Wear's Valley. *Henderson Springs* was built just outside Sevierville on the west prong of the Little Pigeon River. The *Greenbrier*



Figure–2.2: Sevier County, Tennessee. U.S. Bureau of the Census, TIGER File.

Hotel, Indian Gap Hotel and *Mount LeConte Lodge* were all located in areas later taken over by the Park. Each of the eight spas offered accommodations in the form of a hotel, cabins or a boarding house. *Henderson Springs*, the oldest and most popular spa could accommodate one hundred boarders. Today, only LeConte Lodge continues to welcome guests, but visitors must obtain reservations a year in advance for this popular though rustic lodge (Sevier Bicentennial, 1976).

The quality of crafts in Sevier County and their role in tourism development are attributed to the establishment of a settlement school by the Pi Beta Phi Sorority in Gatlinburg in 1912 and the school's continuing programs in arts and crafts. Students come to Gatlinburg to improve their artistic skills under world-renown teachers. Festivals throughout the year also celebrate the craftsmanship of local artists (Sevier Bicentennial, 1976).

Today the spas have been replaced by *bed and breakfast* inns and a variety of accommodations from cabins to farmhouses are available for overnight rental. Visitors to Sevier County also find the usual condominiums, hotels, motels, and camp grounds typically available in resort communities. The vast number of available rooms is indicative of a population that can vary from sixty thousand residents to more than two hundred thousand residents and guests in a matter of days. Visitors enjoy a variety of activities including fishing, hiking, biking, horseback riding, music theaters, crafts, outlet-shopping, theme parks, co-carts, bungee jumping, water parks, miniature golf, and arcades. An aquarium and a baseball stadium are expected to open in the Spring of 2000 at opposite ends of the tourism corridor. The baseball stadium is located on I-40 at the Sevier County Gateway Exit, #407, and includes a visitor's center. The aquarium is at the entrance to Gatlinburg.

There are four incorporated cities in Sevier County in 1999 and each has its own tourism niche. Pittman Center, though not usually included among the tourism venues, is committed to remaining a residential and environmental retreat. Its only venture into tourism is the privately-developed Bent Creek Golf Course and Condominiums and some quiet cabins along the river.

Gatlinburg reminds one of an Alpine village both architecturally and topographically. Its narrow main street, lined with seasonal flowers and shops, invites visitors to stroll or *sit a spell.* Trolleys offer an excellent alternative to driving in this busy little town. Gatlinburg also has the largest convention facilities in the county. Underground utilities and a river walk are two new additions along with an aquarium and parking garage. Scattered among the many motels, shops and restaurants, a variety of entertainment from laser tag to live theater can be found. Chalets and ski slopes are located on the mountain ridge above Gatlinburg where an aerial tram deposits its passengers, who don't wish to drive steep and sometimes icy mountain roads to reach that destination. The Glades — Buckhorn Craft Tour features a wide variety of craft shops where visitors can often watch the artists work. In 1998, Gatlinburg commissioned Luther Propst of the Sonoran Institute to prepare a "Profile of Gatlinburg." One of the outcomes of this effort was the establishment of the Gatlinburg Gateway Foundation. As members of the Foundation, local citizens and business leaders are developing a shared vision for their city through a series of community meetings.

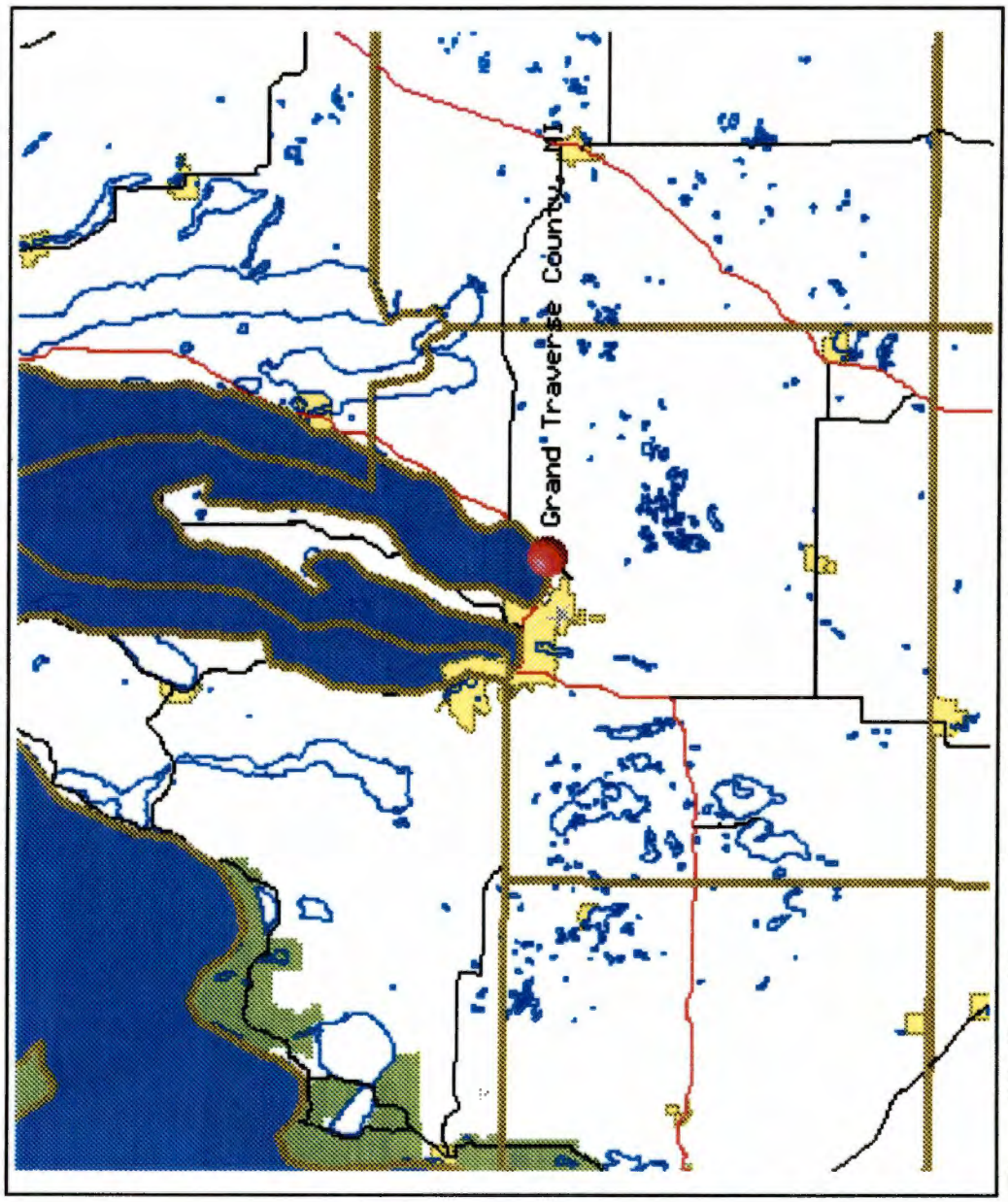
Pigeon Forge's tourism niche is "action-packed family-fun." It is anchored by the *Gatlinburg Golf Course* and *Dollywood* at the south end and *Ogles Water Park* and *The Track* at the north end. In between are outlet malls, motels, restaurants, fast food, activity parks, crafts, shops and more. A wide road discourages walking, but trolleys provide

transportation between points of interest. Pigeon Forge's main drag also attracts car shows of all kinds. Today, much of Wear's Valley has been annexed by the city of Pigeon Forge. This once quiet valley is now speckled with shops and stores which serve the tourists' needs and desires, but it's still a great place to rent a cabin or a farm house and just get away.

Sevierville has long provided the government and business services for the County's tourism industry. Until recently, it offered only a few small independent motels and restaurants to the tourism mix in Sevier County. In the last ten years, Sevierville has gained more than a dozen large motels and restaurants, two large outlet malls, several music theaters, a golf course, movie theaters, and a minor-league baseball stadium. Most of the recent tourism growth in Sevier County has occurred on the Highway 66/U.S. 441 corridor between Interstate 40 and Pigeon Forge. The rest of the town is available for residential and government growth.

Traverse City, Michigan

Traverse City is the largest of 19 communities in Grand Traverse County, Michigan. The other communities include the villages of Fife Lake and Kingsley and thirteen townships. (See Figure 2.3). Grand Traverse County is located in the northwest part of the lower peninsula on the shores of Lake Michigan. Its access to Lake Michigan at Grand Traverse Bay provides a protected shoreline — a great place for sailing, swimming, fishing and boating. Traverse City has turned this excellent location into a popular convention destination. It offers year-round activities including fall foliage tours, winter skiing, a national cherry blossom festival in July, and blueberry picking in August. Points of interest



Figure–2.3: Grand Traverse County, Michigan. U.S. Bureau of the Census, TIGER File.

include the wineries and cider mills, lighthouses, and numerous cultural activities like the Opera House, the Michigan Ensemble Theatre, the Old Town Playhouse and the Traverse Symphony. Traverse City's mild summer climate and excellent golf courses make it a golfer's dream for vacations or conferences (Michigan Travel Ideas, 111).

In an effort "to promote rational and sequential growth . . . while preserving as much of the county's natural areas and possible . . ." (Grand Traverse 1999,1). Grand Traverse County contracted with Williams and Works, a planning and engineering firm from Grand Rapids, Michigan, to assist in preparing a long-range plan. A series of 20 town hall type meetings was held to obtain citizen input. The primary concerns expressed in these meetings were traffic congestion, employment and housing needs. The planning meetings resulted in the publication of the "Grand Traverse Bay Regional Development Guidebook." In addition to providing guidelines for development and establishing countywide controls over on-site wastewater systems, one of the most interesting outcomes of this effort was the establishment of a countywide transfer of development rights in which the county pays property owners for restricting the use of their property to designated uses (Grand Traverse 1999). Landmark planning efforts like those recently initiated in Grand Traverse County should interest other quasi-rural tourism counties.

CHAPTER THREE

Population

Tourism is noted for promoting growth particularly in rural areas. Therefore, it is not surprising that the tourism counties in this study consistently out paced the manufacturing counties in population growth in every period between 1970 and 1998. Table 3.1 and its corresponding figure show the population gain of tourism counties over their manufacturing counterparts (see Figure 3.1).

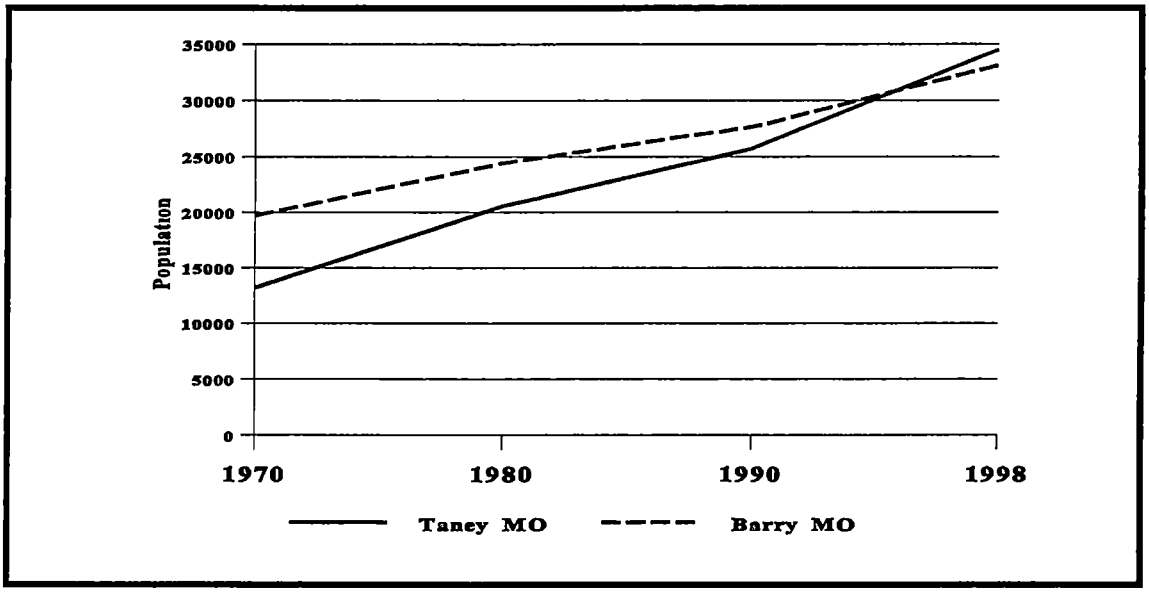
Data for census years 1970, 1980 and 1990 are charted in Figure 3.1 because they represent the most precise measurements of population. Intervening years are estimates of the population which are based on the decennial census counts. Table 3.1 shows both the decennial counts and the estimates that correspond with the economic data for the 5-year intervals from 1972 to 1997. Estimates are made each year by the Population Division of the Census Bureau and are helpful in planning for infrastructure needs and for computing per capita measures. Often a simple percentage change is all that is needed for comparing one community to another. However, the more precise and useful measurement is the Compound Annual Growth Rate (CAGR). These may be computed for any time period and show an annualized growth or decline that can be compared regardless of the size of the interval. As Table 3.1 shows, the tourism counties displayed consistently higher growth (as measured by the CAGR) than either their paired, manufacturing counties or the state averages throughout the study period.

Table 3.1--Population 1970 -- 1998 (Selected Years) and Compound Annual Growth Rates (CAGR)

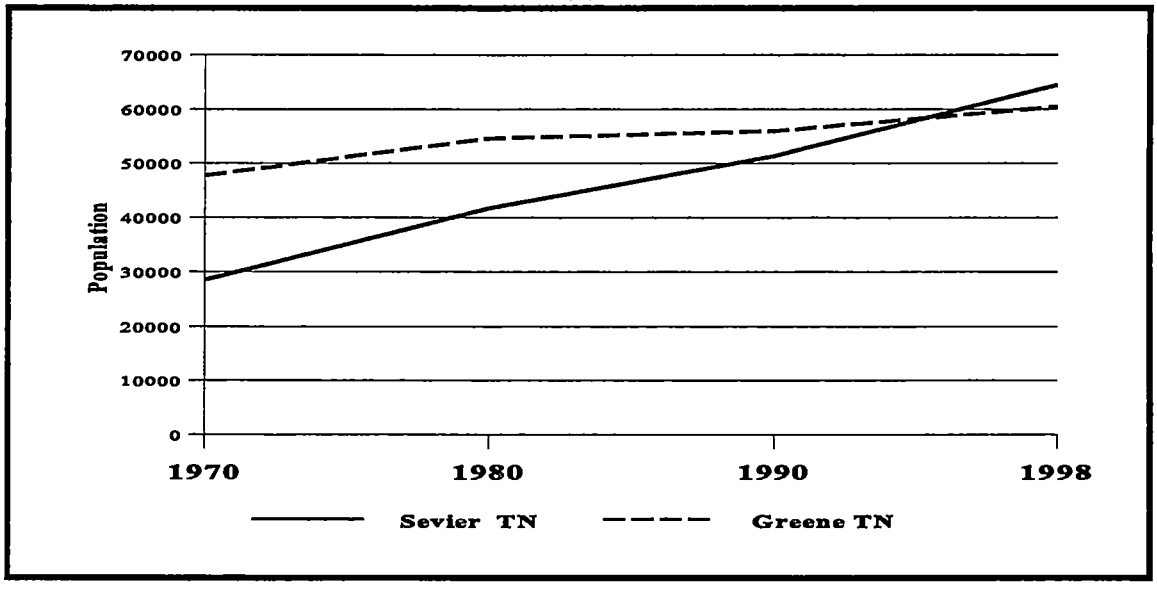
Year	Number	CAGR	Number	CAGR	Number	CAGR
	Missouri		**Taney County**		**Barry County**	
1970	4,684,768		13,216		19,715	
1972	4,753,234	0.73	15,197	7.23	20,939	3.06
1977	4,845,042	0.38	18,986	4 55	22,799	1.72
1980	4,921,966	0 53	20,592	2.74	24,445	2.35
1982	4,929,456	0.08	21,413	1 97	24,833	0.79
1987	5,056,702	0.51	24,622	2 83	26,820	1.55
1990	5,126,281	0 46	25,715	1.46	27,662	1.04
1992	5,193,575	0.65	27,625	3.65	28,664	1.80
1997	5,408,455	0.81	34,028	4 26	32,687	2 66
1998	5,438,559	0.56	34,504	1.40	33,120	1.32
Year	**Tennessee**		**Sevier County**		**Greene County**	
1970	3,936,975		28,493		47,671	
1972	4,088,445	1.91	31,512	5 16	49,619	2 02
1977	4,401,939	1 49	37,588	3.59	52,254	1.04
1980	4,600,252	1.48	41,700	3.52	54,597	1.47
1982	4,646,043	0.50	43,819	2 51	54,738	0.13
1987	4,782,939	0 58	48,040	1.86	55,756	0.37
1990	4,890,661	0.75	51,370	2.26	55,979	0.13
1992	5,012,278	1.24	54,557	3 06	57,010	0.92
1997	5,371,693	1.39	62,774	2 85	59,369	0 81
1998	5,430,621	1.10	64,505	2.76	60,502	1.91
Year	**Michigan**		**Grand Traverse County**		**St. Joseph County**	
1970	8,896,558		39,443		47,392	
1972	9,024,681	0 72	42,445	3.74	49,683	2.39
1977	9,157,247	0.29	49,343	3 06	53,083	1.33
1980	9,255,553	0.36	55,337	3.90	56,083	1.85
1982	9,115,196	-0 76	56,922	1.42	57,492	1.25
1987	9,187,484	0 16	61,166	1.45	58,697	0 42
1990	9,310,552	0.44	64,508	1.79	58,913	0.12
1992	9,464,558	0.82	67,165	2 04	59,295	0.32
1997	9,779,984	0.66	72,901	1.65	61,133	0.61
1998	9,817,242	0.38	74,134	1.69	61,226	0.15

Source· <http.//www.census.gov/> 10/6/99; CAGR computed by Vickers

(a)

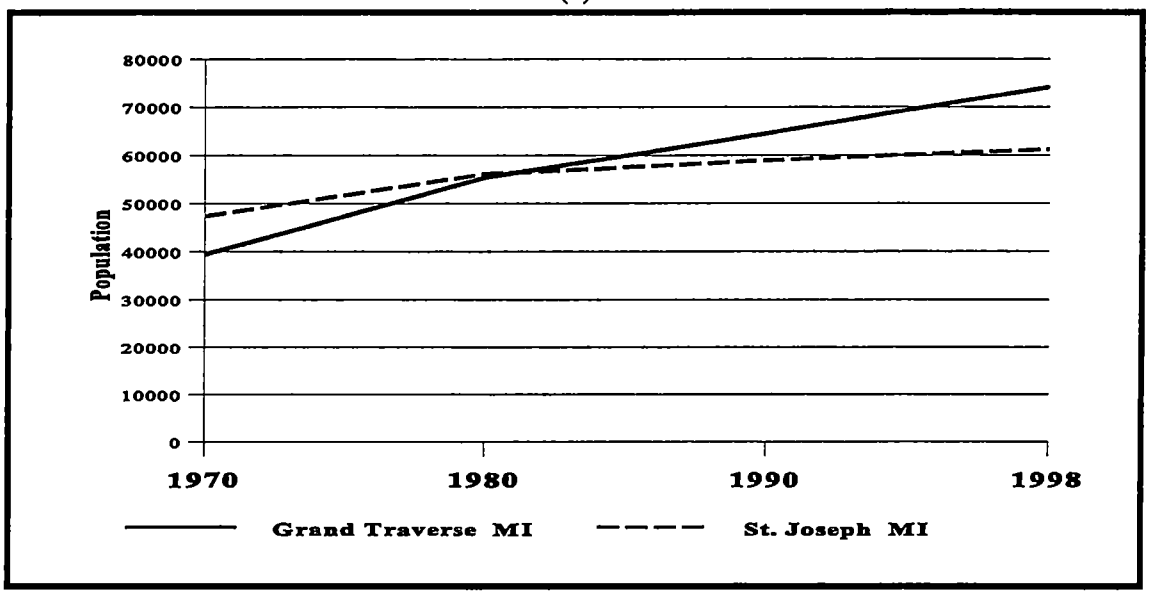


(b)



Figure–3 1 Population. (a) Taney and Barry Counties (b) Sevier and Greene Counties (c) Grand Traverse and St Joseph Counties February 2000 <http·//www census gov/population>.

(c)

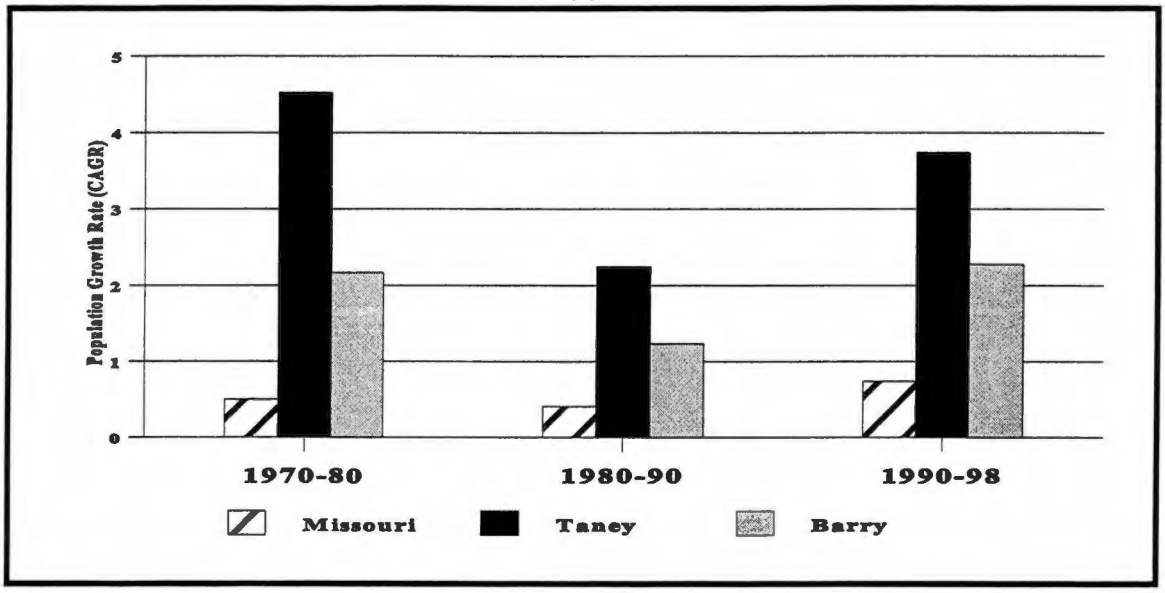


Figure–3.1: (Continued)

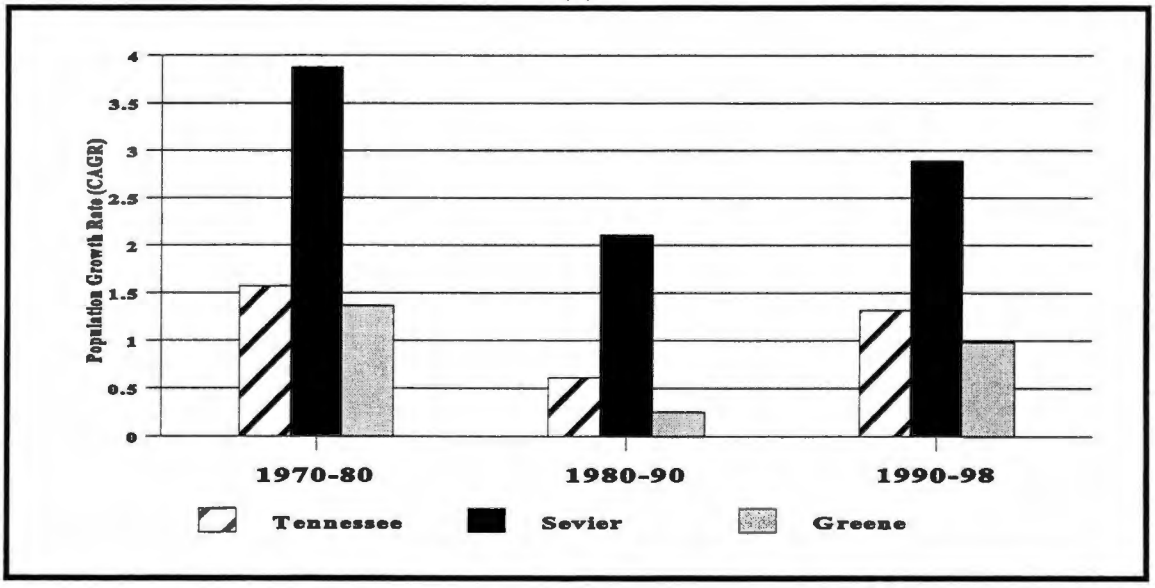
The highest average annual growth rates for tourism counties were experienced in the 1970's (see Figure 3.2). The 1980's was a period of moderate growth and the 1990's are expected to produce slightly higher growth than the prior decade. Since successful communities attract people who are looking for business and employment opportunities, each tourism county experienced healthy growth rates of between 2 and 3.5 percent per year. Of the quasi-rural manufacturing counties included in this study, Barry County Missouri exhibited the strongest population growth over the period increasing nearly 2 percent per year between 1970 and 1998.

The manufacturing counties selected for this study were chosen on the basis that at least 25 percent of their jobs were in manufacturing industries throughout the study period and that they were of similar size to the tourism county in that state at the beginning of the

(a)

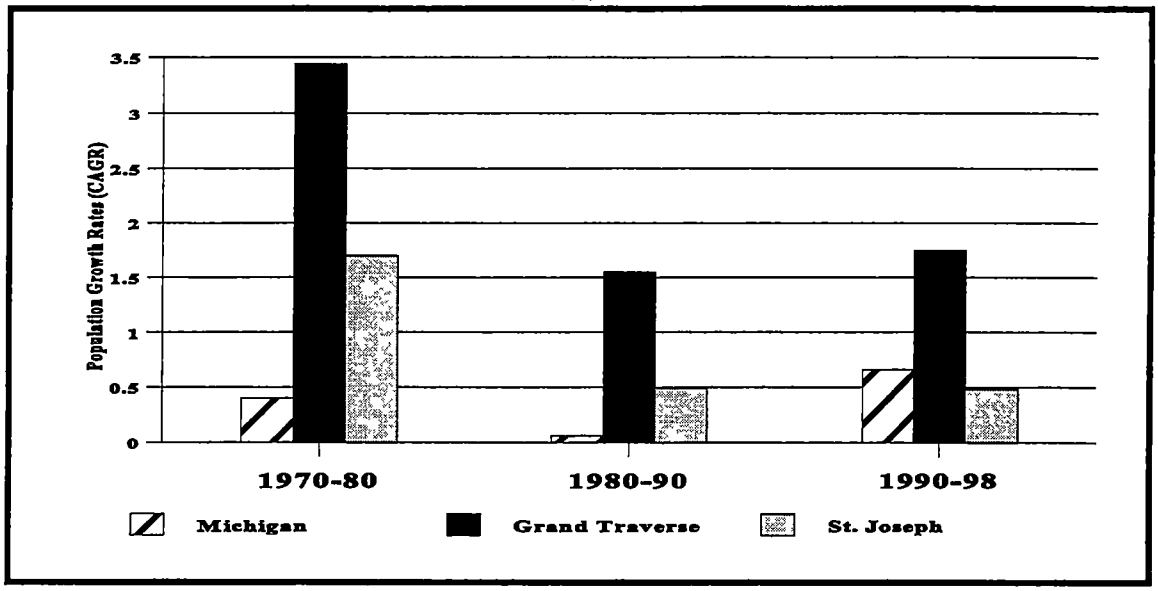


(b)



Figure–3.2: Population, Compound Annual Growth Rates: (a) Missouri (b) Tennessee (c) Michigan.

(c)



Figure–3.2 (Continued)

study period. Interestingly, all three manufacturing counties were larger than their corresponding tourism county in 1970 (see Table 3.1). Barry County's population in 1970 was 49 percent larger than Taney's population. Taney's population was 13,216 as compared to 19,715 for Barry County. However, consistently stronger growth in Taney County allowed it to surpass Barry by 1997. Sevier County demonstrated even stronger population growth beginning with 28,493 residents in 1970 compared to Greene County's 47,671. Sevier surpassed Greene's population by 1997 although it began with a 67 percent deficit. The population of Grand Traverse in 1970 was 39,443 compared to 47,392 for St. Joseph County. Like the other tourism counties, Grand Traverse began the study period with 20

percent fewer persons and surpassed St. Joseph by 1987. Grand Traverse ended the study period with a population of 74,134 compared to St. Joseph's 61,226.

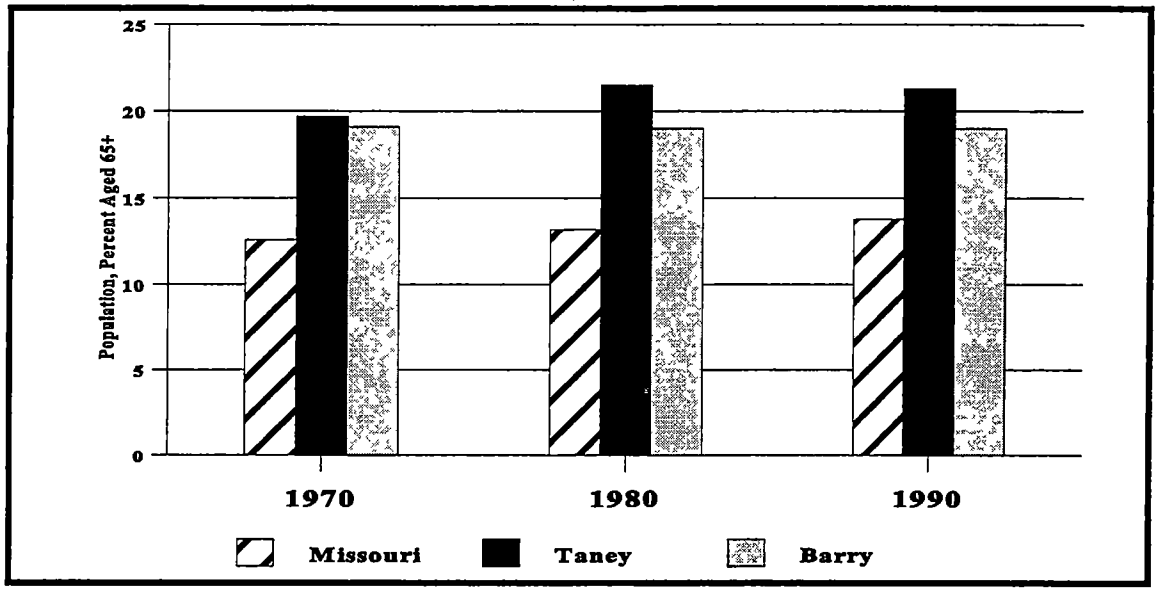
Looking at the total growth between 1970 and 1998, Taney County Missouri, the smallest of the three tourism counties, had the highest percentage increase. Taney grew 161 percent over the 28-year period. The highest numerical increase was experienced by Sevier County which increased by more than 36 thousand people or 126 percent. Grand Traverse County also posted a healthy growth of nearly 90 percent between 1970 and 1998.

The tourism counties outpaced both their respective states and their paired manufacturing counties in population growth throughout the 1970--1998 study period. Taney's 161 percent growth compares well with Barry County's 68 percent and Missouri's 15 percent. Sevier County's manufacturing counterpart, Greene County, experienced the smallest growth both in terms of percent and actual numbers. Greene County grew by 13,831 persons over the 28-year period, a percentage of 27.0. Greene also grew slower than the state which posted 36 percent growth. In Michigan, St. Joseph averaged nearly 1 percent a year for a total growth of 29 percent. Although St. Joseph's growth was lower than Grand Traverse (88 percent), it was higher than Michigan's increase of nearly 10 percent.

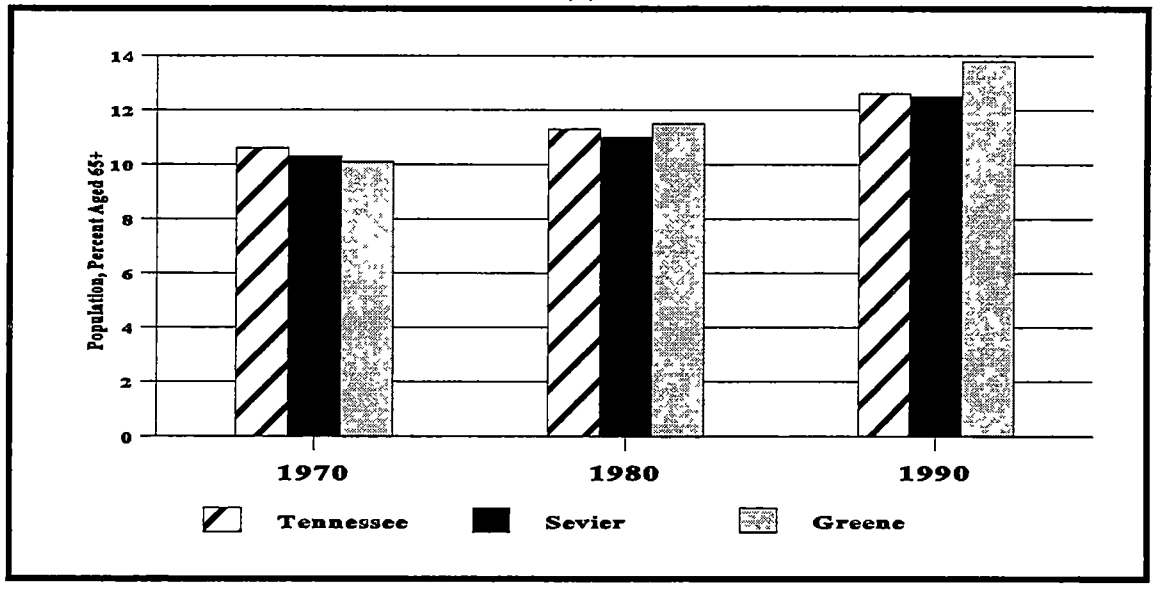
It is not surprising that population growth in tourism counties is stronger than in other communities of similar size. After all, tourism counties, particularly rural or quasi-rural destinations, usually offer natural scenic beauty, job opportunities, and the infrastructure and service sector of a place a with much larger population base.

Persons who vacation in the same community year after year often dream of retiring in that community. Figure 3.3 shows that the population aged 65 and above comprises a

(a)

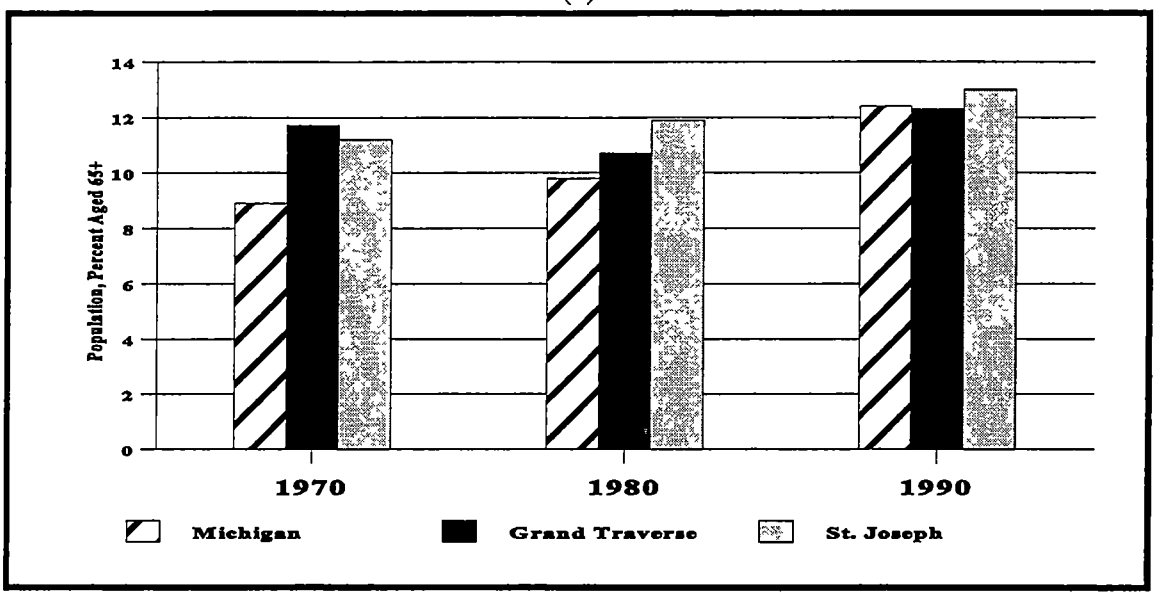


(b)



Figure–3 3 Percentage of Population Aged 65+. (a) Missouri (b) Tennessee (c) Michigan U S. Bureau of the Census, (1978) City and County Data Book, 1977; 1988, USA Counties, 1998.

(c)



Figure–3.3 (Continued)

relatively constant share of the total population in tourism counties relative to manufacturing counties and state averages. However, since the total population is increasing faster in tourism counties, a constant share of the increased population would indicate an numerical increase for persons aged 65 and above. In other words, retirement decisions are likely to favor relocation to tourism counties.

Retirees are important to communities because they usually have more income to spend on consumer goods and services. They are particularly valued in tourism communities because they often fill part-time positions that are plentiful in trade and service establishments.

CHAPTER FOUR

Employment

Job creation is the primary reason state and local officials seek to establish or expand tourism in their jurisdictions. While national governments look to tourism to correct trade imbalances, sub-national governments are more concerned with providing jobs and enhancing government revenues. State and local officials are increasingly turning to tourism to replace jobs lost in agriculture and manufacturing. Many low-skill manufacturing jobs prevalent in quasi-rural counties are being lost to offshore sites and marginal farming operations no longer support families. Therefore, populations, formerly dependent on these kinds of jobs, welcome retail and service jobs provided by tourism (Kaiser 1978).

There are two different ways of viewing employment and each way utilizes a unique set of data. First, one might be concerned with whether the local residents have jobs. The source of data used to address this issue might be called resident data, or data that provide information regarding the employment of residents of a certain county or group of counties. These data are gathered by a survey or a census of the households. A second kind of employment data is collected from establishments or employers. This series counts the number of *jobs held* regardless of the residence of the workers. These reports show data by place of work aggregated to county, metropolitan area, state and region.

The primary source of resident (household) data is the Census of Population. Every ten years the Bureau of the Census counts the population of the United States for areas as

small as a group of blocks. The Census includes a short-form containing questions asked of all residents and a long-form that is sent to a representative sample of the population. Among the many questions asked on the long-form are those regarding employment. In addition to the demographic information on age, race and gender, the Census of Population tells us whether individuals are working, their level of educational attainment, where they work, how many hours a week they work, how many weeks they worked in the last year, their job classification, the industry in which they work, their earnings and the time it takes them to travel to work each day. These data provide information on the employment conditions for residents of a particular area.

The relationship of resident (household) and jobs (establishment) data can only be drawn from their common source -- The Census of Population. The first type of data looks at where the workers live and the second provides information on where people work. Both questions are answered in the Census which provides the benchmark for monthly surveys of both households and establishments. The monthly household survey, known as the Current Population Survey (CPS), and the monthly establishment surveys provide data for the BLS-790 reports and the ES-202 reports. Both types of data are reported monthly by the U.S. Department of Labor, Bureau of Labor Statistics in *Employment and Earnings.* Although an understanding of the relationship of these two types of surveys may be gleaned from this publication, data are not shown here for geographic areas as small as counties.

In addition to the work/residence orientation of the surveys, a major difference between the two types of surveys is the way jobs are counted. In the household survey the emphasis is on the worker, whether or not they have work and the number of hours and

weeks they are working. There is no indication of the number of part-time jobs they may be working and jobs are undercounted in this survey to the extent that multiple jobs may be held by a single resident. In the establishment survey, the emphasis is on jobs regardless of whether these jobs are part-time or full-time or where the workers reside.

Jobs by Place of Residence

Every ten years the Census of Population counts the resident population and classifies those aged 16 or greater to whether they are in the *Armed Forces*, the *civilian labor force* or *not in the labor force.* Those who are in the civilian labor force are further classified as to whether they were working or seeking work during the last week of March. Data in Table 4.1 are from the Census and describe the workforce of selected tourism and manufacturing counties in Missouri, Tennessee and Michigan as well as state averages. These data include the number of employed persons, the unemployment rates and the percentage of workers employed in manufacturing and trade for 1970, 1980 and 1990.

Tourism counties experienced the largest percentage increases in both the civilian labor force and the number of persons employed between 1970 and 1990 (see Figure 4.1). For example, Taney County's labor force grew 148 percent compared to 78 percent for Barry and 37 percent for the Missouri average. Persons employed increased by a similar percentage over the 20-year period. However, the unemployment rate was generally greater in the tourism counties. Of the tourism counties, only Grand Traverse showed a lower unemployment rate than its manufacturing counterpart or the state average. In fact,

Table 4.1--Labor Force Data from the Census of Population 1970, 1980 and 1990

	Missouri	Taney	Barry	Tennessee	Sevier	Greene	Michigan	Grand Traverse	St. Joseph
Civilian Labor Force									
1970	1,845,402	4,821	7,019	1,526,055	11,277	19,267	3,455,346	14,743	19,211
1980	2,259,764	8,712	9,670	2,087,882	19,129	24,210	4,211,997	26,117	25,526
1990	2,522,783	11,967	12,525	2,405,077	26,770	28,304	4,540,537	33,371	28,139
% change '70-'90	36 7	148 2	78 4	57 6	137 4	46 9	31 4	126 4	46 5
Employed Persons									
1970	1,767,310	4,612	6,778	1,458,431	10,648	17,115	3,252,830	13,820	18,287
1980	2,103,907	7,756	9,144	1,914,920	16,915	22,293	3,750,732	23,905	23,165
1990	2,367,395	10,947	11,640	2,250,842	24,309	26,279	4,166,196	31,333	26,307
% change '70-'90	34 0	137 4	71 7	54 3	128 3	53 5	28 1	126 7	43 9
Unemployment Rate									
1970	4 2	4 3	3 4	4 4	5 6	11 2	5 9	6.3	4 8
1980	6 9	11 0	5 4	7 4	11.6	7 9	11 0	8 5	9 2
1990	6 2	8 5	7 1	6 4	9 2	7 2	8 2	6 1	6 5
Percent Manufactures									
1970	24 4	8 5	30 3	30 6	27 9	37 9	35 9	17 7	49 6
1980	21 9	10 5	36 3	26 7	24 4	40 8	30 3	15 5	43 2
1990	18 6	7.6	34 5	23 3	16 4	38 4	24 6	14 5	39 7
Percent Trade									
1970	21 5	22 7	19 9	18 7	22 0	15.2	19 4	24 4	15.6
1980	21 2	25 3	15 4	19 8	24 5	15 3	20 1	22 6	17 3
1990	21 7	26 8	20 0	21 3	27.7	15 8	22 0	25 4	19 6

Source U S Department of Commerce, Bureau of the Census, City and County Data Book,1977, 1987, and Census of Population, General Social and Economic Characteristics, 1990

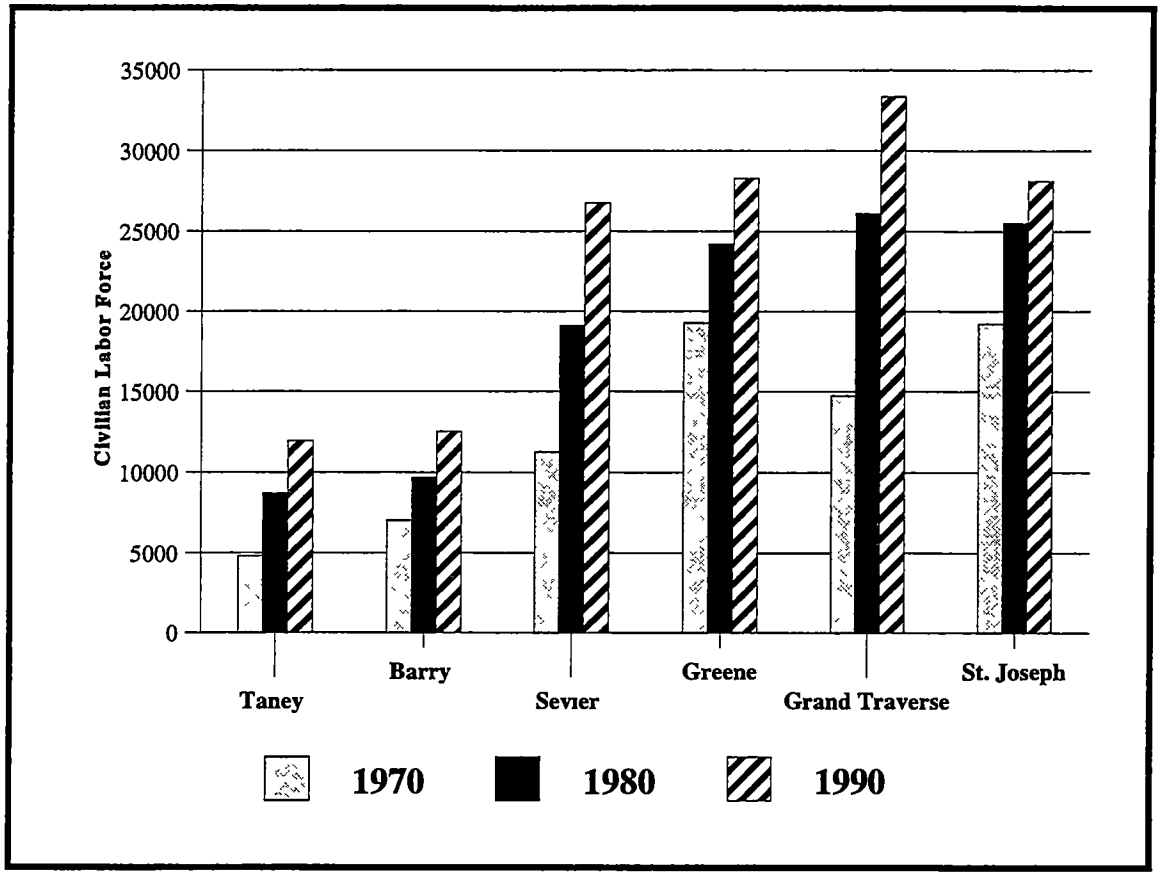


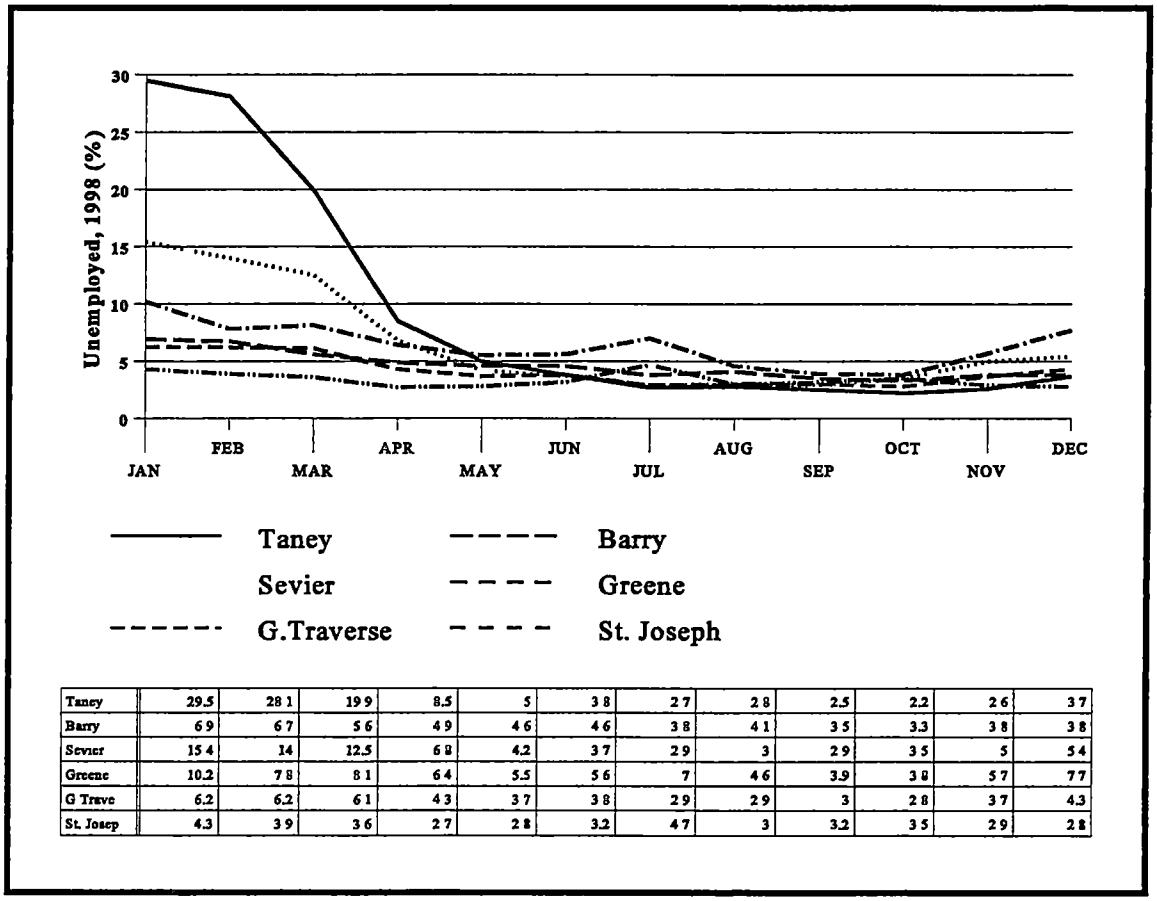
Figure--4 1. Civilian Labor Force. U S. Bureau of the Census Census of Population.

unemployment in Grand Traverse also declined over the 20-year period from 6.3 percent in 1970 and 8.5 in 1980 to 6.1 percent in 1990.

Table 4.1 also illustrates the relative constancy of manufacturing and trade in each of these economies. One-third to one-half of the residents of manufacturing counties worked in manufacturing industries. This percentage increased in Barry and Greene counties over the study period, while residents employed in manufacturing industries fell from 50 percent to 40 percent in St. Joseph, Michigan between 1970 and 1990. In tourism counties the percentage of persons employed in manufacturing jobs declined over the study period. The same was true on average for the states. On the other hand, trade increased as a percentage of all jobs in both manufacturing and tourism counties as well as statewide. Higher employment concentrations in trade were seen in tourism counties.

Unemployment Rates

In addition to information on the employment status of residents collected every ten years by the Census of Population, monthly estimates of the labor force, employment and unemployment are collected by the Current Population Survey (CPS). These data are published by the Bureau of Labor Statistics (BLS) in *Employment and Earnings*. These household data, detailed in Figure 4.2, show the cyclical nature of tourism and provide state and local decision makers with current monthly estimates of employment and unemployment. Although tourism counties compare favorably with manufacturing counties for April through December of 1998, high levels of unemployment are seen in tourism counties, Taney and Sevier. Grand Traverse, on the other hand, has a year-round economy



Taney	29.5	28 1	19 9	8.5	5	3 8	2 7	2 8	2.5	2.2	2 6	3 7
Barry	6 9	6 7	5 6	4 9	4 6	4 6	3 8	4 1	3 5	3.3	3 8	3 8
Sevier	15 4	14	12.5	6 8	4.2	3 7	2 9	3	2 9	3 5	5	5 4
Greene	10.2	7 8	8 1	6 4	5.5	5 6	7	4 6	3.9	3 8	5 7	7 7
G Trave	6.2	6.2	6 1	4 3	3 7	3 8	2 9	2 9	3	2 8	3 7	4.3
St. Josep	4.3	3 9	3 6	2 7	2 8	3.2	4 7	3	3.2	3 5	2 9	2 8

Figure--4 2 Unemployment Rates, 1998. U.S Bureau of Labor Statistics, Local Area Unemployment Statistics December 2000. <http.//stats bls.gov>.

featuring skiing during the winter months. Also notable in Figure 4.2 is the impact of plant closings in Greene County in July and again in December 1998.

Jobs by Place of Work

The Bureau of Labor Statistics in cooperation with state agencies collects data from establishment records on jobs held in a particular county, state or metropolitan area. Jobs may be held by area residents or residents of other jurisdictions who commute into the area to work. These employment data (also known as BLS-790 data) differ from household data in that they reflect employment at the place of work rather than residence. Another BLS estimate on jobs held is produced from reports filed by employers on jobs covered by unemployment insurance. This report is published as ES-202 and covers approximately 95 percent of all jobs. The Bureau of Economic Analysis (BEA) also publishes annual employment data from ES-202 reports in its Regional Economic Information System (REIS). Although only major industries are reported by BEA, these data are often the preferred data source since BLS-790 data are reported as metropolitan areas (county aggregates) and non-metropolitan counties. For example, Sevier County data on employment by industry are grouped with Knox County and the other Knoxville MSA counties in the 790 data. Therefore, employment by industry for this study county can only be found in the BEA database.it is the only source reporting data for all counties.

The Bureau of Economic Analysis is the economic arm of the Department of Commerce while the Bureau of the Census is the demographic arm. BEA collects data from many state and federal agencies in order to estimate the health of the national economy. In

doing so, BEA also considers changes in smaller, economically-linked areas. By taking their analysis one step further, BEA is able to provide county information which they release to the public annually through REIS. Currently, BEA's county-level estimates of personal income, per capita personal income, farm income, employment and transfer payments are available for all counties in the United States from 1969 to 1997 using a consistent methodology. (The estimates series actually goes back to 1929, but revisions are not complete for the forty-year period from 1929 to 1968.)

Estimates of the number of jobs held are shown in Table 4.2 and Figure 4.3. As expected, both the number of jobs held and the percentage increase between 1972 and 1997 is significantly greater in tourism counties as compared to manufacturing counties. Jobs held in Taney County, Missouri increased nearly 345 percent over this 25-year period compared to an increase of more than 100 percent in Barry County, Missouri. Similarly, Sevier County, Tennessee showed an increase of 244 percent compared to 41 percent for Greene County and jobs held in Grand Traverse, Michigan grew 178 percent while St. Joseph County Michigan experienced a 46 percent growth. The manufacturing counties each added approximately 10,000 jobs over the 25-year period, while jobs in Grand Traverse increased by more than 37,000 and those in Sevier grew by nearly 30,000 and Taney added 21,000. These successful tourism counties have experienced consistently strong job growth over the study period while job growth either stalled or temporarily reversed in the paired-manufacturing counties.

Table 4.3 depicts job growth by major industry. In addition to the fact that more jobs were available in tourism counties by the end of the 25-year period, these counties also led

Table 4.2--Employment, 1972 -- 1997 (Selected Years)

Year	State	Tourism	Manufacturing
	Missouri	Taney County	Barry County
1972	2,241,505	6,100	10,058
1977	2,423,610	8,009	11,392
1982	2,524,210	10,232	12,519
1987	2,853,460	13,060	14,835
1992	2,981,033	18,798	17,371
1997	3,351,820	27,124	20,194
Change 1972--1997	49 53%	344 66%	100.78%
Year	**Tennessee**	**Sevier County**	**Greene County**
1972	1,923,743	12,247	24,912
1977	2,135,002	16,909	24,432
1982	2,223,640	20,482	27,244
1987	2,591,254	25,753	31,522
1992	2,861,746	31,684	32,127
1997	3,285,827	42,142	35,170
Change 1972--1997	70 80%	244 10%	41 18%
Year	**Michigan**	**Grand Traverse**	**St. Joseph**
1972	3,686,977	20,963	21,690
1977	4,015,627	27,647	23,351
1982	3,835,742	31,379	22,852
1987	4,509,624	44,390	27,301
1992	4,789,199	48,777	27,261
1997	5,386,527	58,234	31,763
Change 1972--1997	46.10%	177 79%	46.44%

Source U S Department of Commerce, Bureau of Economic Analysis (1999) Regional Economic Information System, 1969--1997 (CD-ROM).

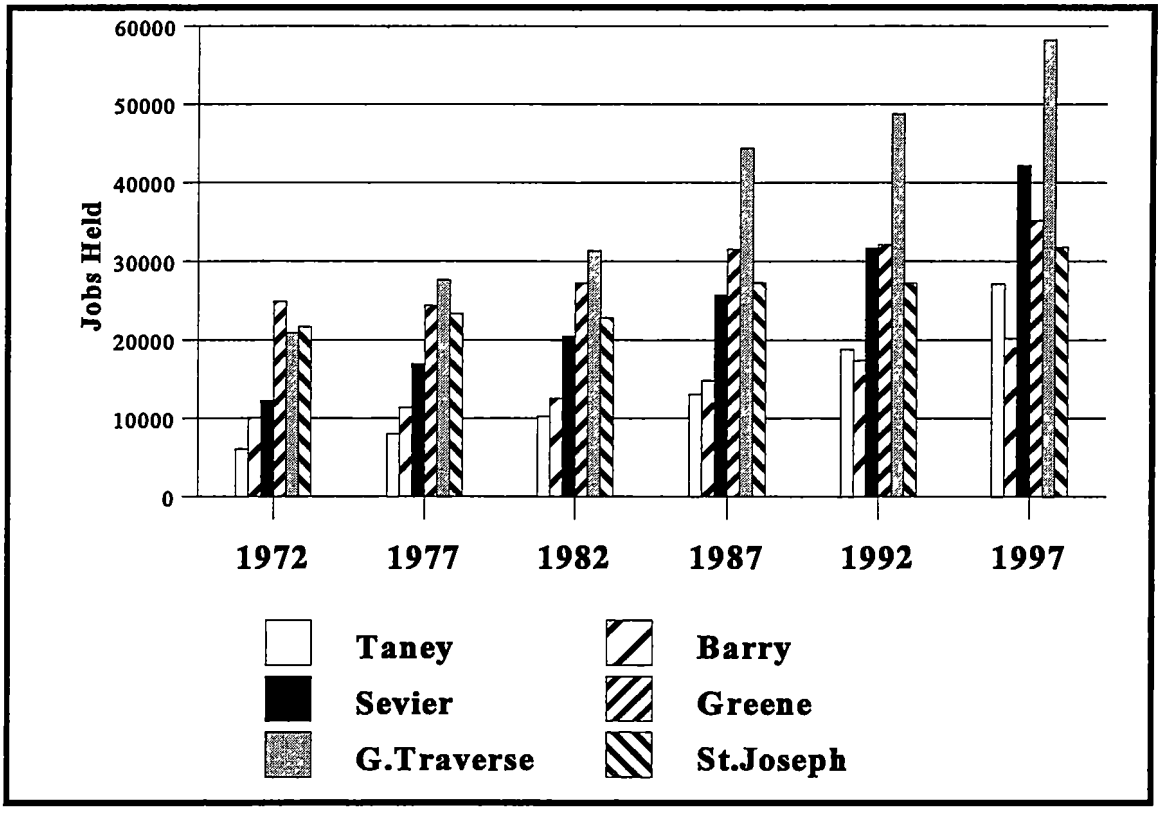


Figure--4 3 Employment (Jobs Held) U.S Bureau of Economic Analysis, Regional Economic Information System (CD-ROM)

Table 4.3--Job Growth by Major Industrial Sector, 1972--1997 (Selected Years)

	Sevier County		Greene County		Taney County		Barry County		Grand Traverse		St. Joseph	
	1972	1997	1972	1997	1972	1997	1972	1997	1972	1997	1972	1997
Employment												
Total	12,247	42,142	24,912	35,170	6,100	27,124	10,058	20,194	20,963	58,234	21,690	31,763
% change		244 10		41 18		344 66		100 78		177 79		46 44
Manufacturing	1,632	2,847	8,179	8,648	356	1,033	2,468	6,915	2,766	6,592	8,559	11,231
% Total	13 33	6 76	32 83	24 59	5 84	3 81	24 54	34 24	13 19	11 32	39 46	35 36
% Change		74 45		5 73		190 17		180 19		138 32		31 22
# Change		1,215		469		677		4,447		3,826		2,672
Retail Trade	2,603	13,801	2,821	5,497	1,267	7,622	1,455	2,672	4,192	12,900	3,195	5,006
% Total	21 25	32 75	11 32	15 63	20 77	28 10	14 47	13 23	20 00	22 15	14 73	15 76
% Change		430 20		94 86		501 58		83 64		207 73		56 68
# Change		11,198		2,676		6,355		1,217		8,708		1,811
Services	3,043	13,410	3,348	7,485	1,753	10,789	1,257	3,619	4,778	19,122	2,562	5,323
% Total	24 85	31 82	13 44	21 28	28 74	39 78	12 50	17 92	22 79	32 84	11 81	16 76
% Change		340 68		123 57		515 46		187 91		300 21		107 77
# Change		10,367		4,137		9,036		2,362		14,344		2,761

Note Total employment includes proprietors and farm workers as well as wage and salary workers

Source U S Department of Commerce, Bureau of Economic Analysis, (1999) Regional Economic Information System 1969-1997 (CD-ROM)

manufacturing counties in manufacturing job growth. In fact, Table 4.3 shows tourism counties leading job growth in trade and services as well as manufacturing in terms of jobs added. Percentage change in manufacturing jobs was higher in tourism counties. Absolute change was also greater in all tourism counties except Taney where new manufacturing jobs trailed Barry.

CHAPTER FIVE

Income

The level of income enjoyed by residents of a community indicates their general well-being. Although residents may have jobs, they may or may not be able to afford adequate housing, food or other goods and services that sustain a good quality of life and promote a robust local economy unless their incomes are adequate. Jobs that utilize the skills of local residents and pay good wages are sought by economic development officials to maintain or improve the quality of life in the community.

Two sources of income information can be used to determine the level of income and its change over time. The Census of Population provides information on *money income* for persons, households and families every ten years. Intercensal estimates are also available periodically. Another income measure is provided for all counties by the Commerce Department's Bureau of Economic Analysis (BEA) annually. These data are for *personal income* and are estimated both by place of work and place of residence. In addition to periodicity, the differences between per capita *money income* and per capita *personal income* include differences in coverage, differences due to under reporting on Census questionnaires and those attributed to BEA adjustments.

Personal income, estimated by BEA, is usually higher than Census money income because personal income data are gathered from administrative records that insure against under reporting and provide for inventory valuation and capital consumption adjustments.

In addition to these corrective measures, BEA personal income also includes imputed income such as imputed interest, rent and in-kind payments that are assigned a market value; bonuses and other lump-sum payments; income received by nonprofit institutions serving individuals and private trusts; government payments to individuals; and employer contributions to private welfare and pension funds. In contrast, personal income excludes a few categories of income that are included in money income. These are personal contributions for social insurance, income from private pensions and annuities and child support (U.S. BEA 1989).

Both personal income and money income are important measures for reporting income levels and changes in income. Any confusion over which income measure to use can usually be avoided by following a few simple guidelines. Grant applications most often call for household, family or per capita money income as reported in the Census and intercensal estimates produced by the Census Bureau. Discussions about the economy of an area usually employ personal income measures estimated by the Bureau of Economic Analysis. Perhaps the most important rule is that these two measures are not interchangeable and the data source should always be identified.

Money Income

Table 5.1 features per capita money income for selected tourism-based and manufacturing-based economies in Missouri, Tennessee and Michigan from 1969 to 1989. In each case the tourism county had higher per capita money income in 1989 than their paired, manufacturing county. In most cases, income at the beginning of the study period, 1969, was also higher for the tourism county than for the corresponding manufacturing

Table 5.1--Money Income, Per Capita, 1969, 1979 and 1989

Year	State	Tourism	Manufacturing
	Missouri	Taney County	Barry County
1969	2,952	2,286	2,152
1979	6,917	5,805	5,329
1989	12,989	11,198	9,465
% Change '69--'89	340.0	389 9	339 8
1969 % of State	100 0	77.4	72 9
1989 % of State	100 0	86 2	84 5
	Tennessee	Sevier County	Greene County
1969	2,464	2,156	1,945
1979	6,213	5,657	5,216
1989	12,255	10,848	10,161
% Change '69--'89	397 4	403 2	422 4
1969 % of State	100 0	87 5	78 9
1989 % of State	100.0	88.5	82 9
Year	Michigan	Grand Traverse	St Joseph
1969	3,357	2,853	3,010
1979	7,688	6,930	6,473
1989	14,154	13,289	12,039
% Change '69--'89	321 6	365 8	300 0
1969 % of State	100.0	85.0	89 7
1989 % of State	100.0	93.9	85 1

Source· U S. Bureau of the Census, Census of Population, General Social and General Social and Economic Characteristics, 1970; 1980, 1990.

county. Only Grand Traverse had lower income in 1969. Residents of Grand Traverse had incomes that averaged 85 percent of the state income per capita as compared to 90 percent for St. Joseph. However, an unadjusted growth of 366 percent between 1969 and 1989 brought Grand Traverse per capita income to 94 percent of the state average compared to 85 percent for St. Joseph. Sevier County experienced a slightly lower percentage growth than Greene County during the study period, but the income level remained higher than the per capita income posted by the manufacturing county. Similarly, per capita income in Taney County, Missouri grew faster and remained higher than its corresponding manufacturing county, Barry. The only county to decline relative to state per capita income was St. Joseph County which fell from 90 percent to 85 percent of the state average. All other counties, both tourism and manufacturing, experienced income growth relative to their respective states.

Personal Income

Total personal income and per capita personal income are detailed in Table 5.2 for economic census years 1972 through 1997. Although annual measurements are readily available for all states and counties from 1969 to 1997, data for selected five year intervals are shown as representative of the study period. Interestingly, per capita income for tourism counties exceeds that of manufacturing counties throughout the twenty-five-year period with one exception. Greene County, Tennessee had a higher per capita income than Sevier County in 1972. However, Sevier County had surpassed Greene by 1977 and maintained the lead through the next 20 years. Tourism counties also posted higher percentage growth in

Table 5.2--Personal Income, Total and Per Capita, 1972--1997(Selected Years)

	Per Capita Personal Income			Total Personal Income ($1,000)		
Year	Missouri	Taney County	Barry County	Missouri	Taney County	Barry County
1972	4,433	3,747	3,462	21,070,152	56,946	72,499
1977	6,950	5,894	5,231	33,675,414	111,895	119,265
1982	11,005	9,402	8,298	54,246,658	201,317	206,072
1987	15,130	12,497	10,719	76,507,311	307,704	287,483
1992	19,207	17,315	13,855	99,756,324	478,359	397,161
1997	23,629	20,407	16,954	127,794,524	694,412	554,175
% Change '72--'97	433 0	444 6	389.7	506.5	1,119 4	664.4
	Tennessee	**Sevier County**	**Greene County**	**Tennessee**	**Sevier County**	**Greene County**
1972	3,782	3,166	3,206	15,460,489	99,757	159,093
1977	6,009	5,368	4,645	26,449,315	201,756	242,708
1982	9,432	8,810	7,934	43,819,773	386,038	434,307
1987	13,508	12,336	10,946	64,609,515	592,604	610,329
1992	18,305	16,716	14,271	91,755,857	911,900	813,698
1997	22,699	20,264	17,841	121,934,065	1,272,067	1,059,204
% Change '72--'97	500 2	540 1	456.5	688.7	1,175 2	565 8
	Michigan	**Grand Traverse**	**St. Joseph**	**Michigan**	**Grand Traverse**	**St Joseph**
1972	4,941	4,409	4,392	44,594,891	187,146	218,183
1977	7,893	7,205	6,664	72,275,764	355,523	357,160
1982	11,370	10,255	9,384	103,636,170	583,739	539,501
1987	15,941	15,711	13,668	146,459,170	961,009	802,273
1992	19,936	19,394	16,448	188,714,178	1,303,128	975,409
1997	24,956	24,270	20,920	244,073,033	1,769,313	1,278,890
% Change '72--'97	405 1	450 5	376 3	447 3	845 4	486 2

Source U S Department of Commerce, Bureau of Economic Analysis, (1999) Regional Economic Information System, 1969--1997

per capita personal income than their corresponding manufacturing counties or the state. Regardless of whether they were tourism- or manufacturing-based, Tennessee counties experienced the highest growth in per capita income over the 25-year period compared with their counterparts in Michigan and Missouri.

Sevier County also experienced the highest growth in total personal income between 1972 and 1997. Sevier's growth is followed closely by the other two tourism counties, Taney and Grand Traverse. Although the study period began with manufacturing counties posting higher total personal income than their tourism counterparts, tourism growth allowed income in trade- and service-dominated economies to catch up with and surpass total personal income in manufacturing counties by 1982 in Michigan, 1987 in Missouri and 1992 in Tennessee.

Transfer Payments

Tourism economies are often criticized for promoting low-wage, part-time jobs without insurance benefits. One way to estimate this effect is to look at transfer payments as a percentage of total personal income. Transfer payments are government payments to individuals for reasons other than current labor (U.S. BEA, 1989). The largest percentage of transfers are retirement payments. However, retirement is not a category that generates much concern. Transfer payments like Medicaid, unemployment insurance payments and income maintenance payments including supplemental security income, family assistance and food stamps are categories that indicate whether residents are able to earn an adequate income.

Information on transfer payments is collected from administrative records and reported by the Bureau of Economic Analysis annually for all counties. Table 5.3 shows both total transfer payments and payments as a percentage of income for the years 1972 through 1997 for Missouri, Tennessee and Michigan as well as the study counties in these states. Data at the beginning of the study period appear to justify the criticism that tourism-jobs cannot sustain a population. Transfer payments in 1972 represent a larger share of personal income in tourism counties than in their paired, manufacturing counties or their respective states. However, this trend quickly changes as manufacturing counties show a higher percentage of income from transfers. The shift occurs in St. Joseph and Greene by 1977 and in Barry County 1987. Moreover, the states of Michigan and Tennessee have a higher percentage of income from transfers than tourism counties, Sevier and Grand Traverse, as early as the 1980's.

Table 5.3 also gives per capita transfer payments for the beginning and end of the study period. From these data we learn that tourism counties, Taney and Grand Traverse, begin and end the study period with higher per capita transfer payments than their manufacturing counterparts. In Michigan and Tennessee in 1997, state per capita transfer payments were higher than either tourism or manufacturing counties. Tennessee had a similar ranking for 1972. Missouri, however, had lower per capita transfers than either Taney or Barry County.

A closer look at transfer payments that are likely to be more critical in tourism communities is provided in Table 5.4. This table details retirement and disability payments which represent nearly half of all transfer payments as well as public assistance medical

Table 5.3--Transfer Payments, Total and Percent of Personal Income, 1972--1997 (Selected Years)

	Transfer Payments ($1,000)			Transfer Payments (% of Income)		
Year	Missouri	Taney County	Barry County	Missouri	Taney County	Barry County
1972	2,321,747	11,977	13,439	11 0%	21 0%	18 5%
1977	4,527,777	27,071	26,263	13 4%	24 2%	22 0%
1982	8,277,142	52,069	50,243	15 3%	25 9%	24 4%
1987	10,947,268	72,213	69,474	14 3%	23 5%	24 2%
1992	16,594,491	111,565	100,975	16 6%	23 3%	25 4%
1997	21,961,975	163,376	140,061	17 2%	23 5%	25 3%
1972 per capita ($)	488	788	642			
1997 per capita ($)	4,061	4,801	4,285			
	Tennessee	Sevier County	Greene County	Tennessee	Sevier County	Greene County
1972	1,708,296	12,215	16,991	11 0%	12 2%	10 7%
1977	3,769,286	29,332	38,960	14.3%	14 5%	16 1%
1982	7,144,613	61,175	73,853	16 3%	15 8%	17 0%
1987	9,728,122	85,615	100,863	15 1%	14 4%	16 5%
1992	16,223,204	153,717	174,772	17 7%	16 9%	21 5%
1997	21,910,765	220,198	238,404	18 0%	17 3%	22 5%
1972 per capita ($)	417	388	342			
1997 per capita ($)	4,079	3,508	4,016			
	Michigan	Grand Traverse	St. Joseph	Michigan	Grand Traverse	St. Joseph
1972	4,695,577	24,075	25,327	10 5%	12 9%	11 6%
1977	9,229,532	52,424	53,738	12 8%	14 7%	15 0%
1982	17,440,425	102,712	104,660	16 8%	17 6%	19 4%
1987	21,620,175	137,929	123,912	14 8%	14 4%	15 4%
1992	30,911,306	209,786	187,159	16 4%	16 1%	19 2%
1997	38,284,200	275,266	226,358	15.7%	15 6%	17 7%
1972 per capita ($)	519	567	510			
1997 per capita ($)	3,915	3,776	3,703			

Source U S Department of Commerce, Bureau of Economic Analysis, (1999) Regional Economic Information System, 1969--'97

Table 5.4--Selected Transfer Payments, 1972 and 1997

	1972 Transfer Payments ($1,000)			1997 Transfer Payments ($1,000)		
	Missouri	**Taney County**	**Barry County**	**Missouri**	**Taney County**	**Barry County**
Total	2,321,747	11,977	13,439	21,961,975	163,376	140,061
Retire and disability	1,331,305	7,854	8,530	10,641,715	86,935	67,698
% Total	57 3	65 6	63 5	48 5	53 2	48 3
Medical, public asst	80,481	343	186	3,185,872	18,801	22,152
% Total	3 5	2 9	1 4	14 5	11 5	15 8
Income maintenance	240,896	771	1,289	1,629,127	7,139	9,970
% Total	10 4	6 4	9 6	7 4	4 4	7 1
Unemploy Insurance	130,346	417	419	265,895	4,735	1,535
% Total	5 6	3 5	3 1	1 2	2 9	1 1
	Tennessee	**Sevier County**	**Greene County**	**Tennessee**	**Sevier County**	**Greene County**
Total	1,708,296	12,215	16,991	21,910,765	220,198	238,404
Retire and disability	970,721	6,251	9,375	9,791,827	120,334	114,445
% Total	56 8	51 2	55 2	44 7	54 6	48 0
Medical, public asst	46,394	171	252	3,529,703	16,757	25,429
% Total	2 7	1 4	1 5	16 1	7 6	10 7
Income maintenance	192,511	1,115	1,600	1,852,695	15,348	23,301
% Total	11 3	9 1	9 4	8 5	7 0	9 8
Unemploy Insurance	67,772	1,387	1,006	338,815	6,710	6,372
% Total	4 0	11 4	5 9	1 5	3 0	2 7
	Michigan	**Grand Traverse**	**St. Joseph**	**Michigan**	**Grand Traverse**	**St. Joseph**
Total	4,695,577	24,075	25,327	38,284,200	275,266	226,358
Retire and disability	2,222,040	13,381	13,889	18,529,942	150,567	118,448
	47 3	55 6	54 8	48 4	54 7	52 3
Medical, public asst	420,178	1,957	1,887	5,656,199	35,202	31,537
% Total	8 9	8 1	7 5	14 8	12 8	13 9
Income maintenance	698,532	2,006	2,632	2,975,247	11,501	14,496
% Total	14 9	8 3	10 4	7 8	4 2	6 4
Unemploy Insurance	322,873	1,482	1,290	942,400	7,470	6,377
% Total	6 9	6 2	5 1	2 5	2 7	2 8

Source U S Department of Commerce, Bureau of Economic Analysis, (1999) Regional Economic Information System, 1969--1997

payments, income maintenance payments and unemployment insurance payments. These data confirm that unemployment insurance payments represent a slightly larger portion of total transfers in tourism counties attributable to the seasonality of employment in these communities. The impact of seasonal employment has lessened since the beginning to the study period especially in Sevier County, Tennessee where unemployment insurance payments claimed 11.4 percent of total transfer payments in 1972 compared to 5.9 percent for Greene County. By 1997, the difference was almost negligible as unemployment insurance payments claimed only 3 percent of Sevier's transfer payments compared to 2.7 percent in Greene County. Even this impact is diminished by the higher level of public assistance medical and income maintenance payments in manufacturing counties. Except for medical payments in Grand Traverse County, these payments are greater in the less populated manufacturing counties. One might agree that it is better to have slightly more seasonal employment than a greater reliance on medical assistance and other types of income maintenance.

CHAPTER SIX

Government Finance

Local governments are charged with establishing budgets that provide an adequate infrastructure to their business and residential constituents. In many communities this task presents a difficult challenge due to an insufficient tax base. This is particularly true of isolated rural communities where residents travel to super stores and malls in adjacent communities to shop. These same rural communities often offer limited employment opportunities to residents especially now that many low-skilled jobs like apparel manufacturing have been exported to third-world economies. Therefore, lack of tax revenues from retail sales or industrial property taxes leave rural governments struggling to provide funding for schools let alone other infrastructure. A recent study by the Center for Business and Economic Research at the University of Tennessee concluded that

> "The public sector revenues received from households do not fully fund the amount of services they receive from local governments. This shortfall in revenues relative to costs are generally offset by business tax payments in order to maintain a balanced budget. [For example] in Tennessee, an estimated 41 percent of sales tax collections Can be attributed to local business." (Murray 1998, xi)

The question of what kinds of business will sustain a community and provide a high quality of life for its residents is one that is continually addressed by growing communities. A comparison of tourism- and manufacturing-based, quasi-rural economies regarding the financial impacts of these industries can be instructive.

Census of Government Finances

Although local budgets can provide information on fiscal effects, another good source of information is the quinquennial census of government finance. Table 6.1 details data from this census for tourism counties as well as for similar-sized counties in their respective states in 1992. St. Joseph County Michigan was the only selected, manufacturing county reported in this census; therefore, it has been included here in addition to county averages for Michigan counties of 50--99,999 population. Data are shown here both as totals and as per capita revenues and expenditures to facilitate comparisons. One might also note that Taney County is compared to other Missouri counties with a population of 25--49,999 since its population in 1992 was 27,625. Sevier County was also at the bottom of its range with a 1992 population of 54,557 compared to counties of 50--99,999 population.

Table 6.1 shows total revenues and expenditures and selected detail in each category. Since some detail has been omitted, the detail shown in each category does not equal the total. In Taney, Sevier and St. Joseph counties total revenue exceeded expenditures in 1992. Grand Traverse County posted higher expenditures than revenues and per capita county averages also showed slightly greater expenditures than revenues in Missouri and Michigan. Also noteworthy are that educational expenditures, usually a large percentage of local budgets, are excluded from budgets of Missouri and Michigan counties. These states utilize the school district level of government for the receipt and expenditure of funds for elementary and secondary education. By comparison, Tennessee schools primarily fall under county and municipal funding jurisdictions. The fact that Sevier County and Tennessee per capita revenues and expenditures are significantly higher than those of Missouri and

Table 6.1--County Revenues and Expeditures, Total ($1,000) and Per Capita ($), 1991--1992

	Taney County		Missouri County of 25-49,999	Sevier County		Tennessee County of 50-99,999	Grand Traverse County		St. Joseph County		Michigan County of 50-99,999
	Total	Per capita	Per capita	Total	Per capita	Per capita	Total	Per capita	Total	Per capita	Per capita
Total Revenue	5,689	222 57	212 81	56,918	1,115 10	1,197 39	43,373	674 82	21,373	362 79	472 38
Intergovernmental											
Federal	318	12 44	3 87			3 66	1,275	19 84	1,017	17 26	17 67
State	427	16 71	29 16	18,421	360 89	289 20	17,578	273 49	8,677	147 28	175 26
Own source	4,891	191 35	176 78	37,978	744 04	896 88	20,468	318 45	9,659	163 95	244 24
Taxes	4,404	172 29	63 71	33,277	651 94	453 71	8,034	125 00	4,815	81 73	93 85
Total Expenditures	5,044	197 33	223 83	54,951	1,076 56	1,189 55	46,570	724 57	20,694	351 26	474 43
Education	0	0 00	0 37	30,223	592 11	509 59	0	0 00	0	0 00	0
Welfare	1	0 04	4 14	116	2 27	6 73	5,802	90 27	3,793	64 38	54 76
Hospitals	0	0 00	106 6	0	0 00	341 25	0	0 00	97	1 65	0 39
Health	83	3 25	10 97	1,085	21 26	18 41	13,726	213 56	4,588	77 88	107 68
Highways	2,144	83 88	39 47	3,097	60 67	48 51	7,331	114 06	5,205	88 35	97 02
Police Protection	471	18 43	15 47	1,175	23 02	21 29	3,123	48 59	822	13 95	26 98
Correction	109	4 26	5 88	843	16 52	14 24	1,330	20 69	813	13 80	16 03
Natural resources, Parks, Recreation	33	1 29	0 98	90	1 76	4 55	1,002	15 59	265	4 50	11 6
Sewerage, S Waste	192	7 51	0 56	964	18 89	12 48	2,000	31 12	0	0 00	10 26
Interest on debt	41	1 60	3 13	1,708	33 46	39 50	1,306	20 32	218	3 70	29 42
Salaries and Wages	1,722	67 37	79 76	22,632	443 39	503 48	15,856	246 70	8,930	151 58	165 43
Capital outlay	610	23 86	10 97	5,156	101 01	156 63	5,119	79 64	2,561	43 47	42 74
Debt outstanding	360	14 08	65 54	29,649	580 86	707 29	16,593	258 16	4,808	81 61	430 33

Source: U S Department of Commerce, Bureau of the Census, (1996) Census of Governments, Government Finances, 1991--1992

Michigan counties is partially attributable to the budgeting for education.

Tourism counties Taney and Grand Traverse have higher per capita revenues than the average county in their size-class. Moreover, Grand Traverse revenues are nearly double those of St. Joseph County. In Tennessee, Sevier County revenues are only slightly lower than other counties in their size-class. This difference is very small since many of the counties with which it is compared have resident populations nearly twice that of Sevier County. An additional comparison of Sevier and Greene counties shows that Sevier County posted revenues of $57,226,088 in 1992 while Greene County collected $39,741,175 in revenue from federal, state and local sources that year (**Tennessee Statistical Abstract**, 1994, p.566). On a per capita basis this difference amounts to $1,049 per person in Sevier County compared to $697 per Greene County resident. These data lead one to conclude that revenues in tourism-based communities are often higher than in manufacturing communities of similar size.

In **Tourism, Travel and Taxes in Tennessee**, Harry Greene, Director of the Tennessee Advisory Commission on Intergovernmental Relations (TACIR), notes that additional costs are borne by governments that depend on the tourism industry. These additional costs include police and fire protection, management of traffic congestion, increased demands for water and sewer, street and road maintenance, air and water pollution and solid waste (TACIR 1994). These expenditure categories are the same for which tourism county expenditures exceed those of other similar size counties in Table 6.1. However, given the volume of tourists hosted by Taney, Sevier and Grand Traverse counties, it is surprising that the differences in expenditures are not greater.

Another tourism impact study completed by the East Tennessee Development District finds that tourists consume most governments services at a much lower rate than residents. Although economies of scale impact most service ratios, the manpower ratios shown in Table 6.2 show the relative differences between residential and tourist services.

Table 6.2--Manpower Ratios per 1,000 Persons

Budget Category	Tourist Ratio	Resident Ratio
General government	.33	1.17
Police	1.18	1.93
Fire	.62	.63
Sanitation	.62	1.37
Highways	.47	1.10
Wastewater	.30	.43
Water	.37	.77
Parks and recreation	.50	.02

Source: East Tennessee Development District, (1980) **Impact of Tourism in Tennessee**, Report No. 190-D, ETDD: Knoxville, Tennessee

Since per capita expenditures were lower in 1992 in Taney and Sevier counties than in similar-size counties in their respective states, greater efficiencies or service deficiencies must be the determinants. Only Grand Traverse County shows significantly higher expenditures than St. Joseph County or similar-sized counties in Michigan.

Sales v. Property Taxes

The more a community can shift or export taxes to nonresident the smaller the tax burden is to residents. In tourism communities, tourist pay a larger share of sales taxes than residents. Moreover, counties with high retail sales and a consequently higher level of revenue from this source can decrease their dependence on property taxes. Table 6.3 shows the property taxes changes for residential property from 1972 to 1992. While both Greene and Sevier counties were able to reduce their property tax rates between 1972 and 1992, Sevier County's rate was less than half that of Greene County by 1992.

Table 6.3--Effective Tax Rates for Residential Property

Year	Sevier County TN	Greene County TN
1972	$0.61	$0.99
1982	$0.34	$0.54
1992	$0.32	$0.66

Source **Tennessee Statistical Abstract 1974; 1984/85; 1994/95**, Center for Business and Economic Research, University of TN: Knoxville, TN

Over this same time period Sevier and Greene counties' sales tax rates increased from 1.5 to 2.5 percent. However, revenues gleaned from this tax rose faster in Sevier County because the level of retail sales was more than twice that of Greene. (In addition, premiere resort status allowed Sevier County to keep a higher percentage of sales tax revenues collected.) Figure 6.1 shows per capita retail sales from study counties and their respective states. These data, from the 1992 Census of Retail Trade, show the relative impact of retail

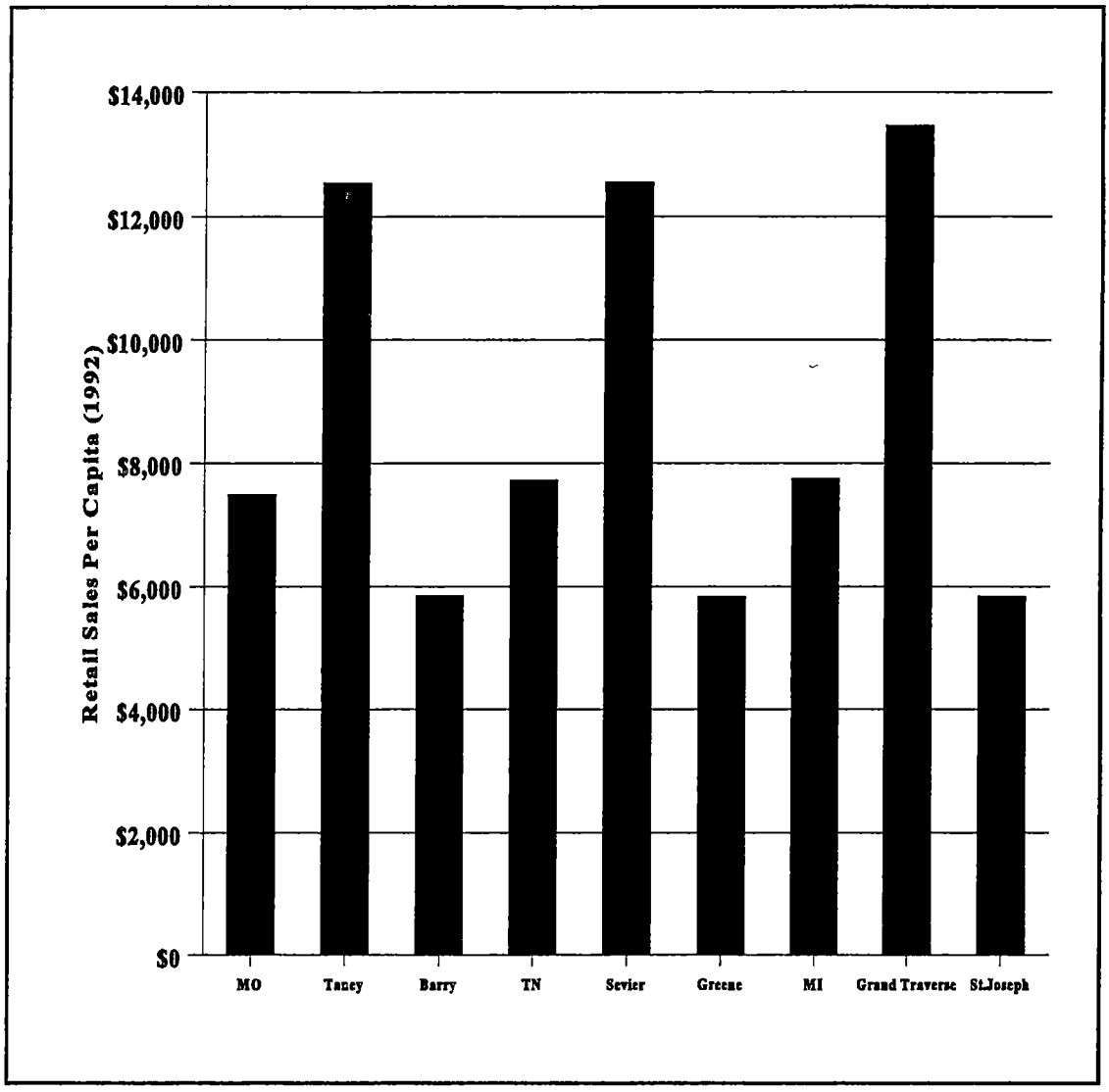


Figure--6 1: Retail Sales Per Capita, 1992 County Profiles. Nov 1999 <http.//www census.gov>.

sales in tourism counties. These three study counties have the highest per capita retail sales in their respective states. Retail Sales in these tourism-based economies are greater than $12,000 per capita as compared to state per capita sales of about $7,500. Manufacturing counties of similar size have per capita sales of only about $5,800.

When one considers that manufacturing establishments account for a portion of sales tax collections charged on production inputs and out-of-market output sales, the difference between manufacturing- and tourism-based counties is impressive. Moreover, many tourist purchases are not covered by retail sales taxes. Purchases of accommodations, amusements and many personal services, usually covered by other taxes, must be added to retail sales to get the full effect of tourism on the economy. These other services also contribute to tax revenues through other taxes such as hotel/motel taxes, amusement taxes or gross receipt taxes. It is no wonder that tourism-based economies can reduce their property tax burdens and still provide adequate services for a population swelled to many times is resident-size by the influx of tourists.

CHAPTER SEVEN

Environmental Impacts

The environmental impacts of tourism and manufacturing industries can be very different. Tourism increases the population density of destination communities and taxes water, sewer and solid waste systems beyond the level incurred by the resident population and often beyond the service delivery capacity of the host community. As tourism communities continue to grow, land becomes more scarce and results in inappropriate construction on ridges and in flood plains. However, negative effects of growth are not limited to tourism. Industrial locations and concentrations can also have negative impacts on the environment. Fuels used in production often have adverse effects on air quality; industrial water requirements may be high and processes may pollute lakes and streams; solid wastes may also pose environmental hazards

Sewage Disposal

The Census of Housing, conducted in conjunction with the Census of Population every ten years, details the availability and use of public sewer systems for residential use Table 7.1 shows the percentage of housing units connected to public sewer facilities in 1990 in the six study counties and their respective states. Missouri has the highest public sewer connectivity of any of the states studied with 73 percent of all housing units served by public sewers. Michigan was second with 71 percent served by public systems followed by

Table 7.1--Percentage of Housing Units on Public Water and Public Sewer, 1990

Indicator	State	Tourism	Manufacturing
	Missouri	**Taney County**	**Barry County**
Public Water	83.6	62 6	49.5
Public Sewer	73.4	29.1	32.6
	Tennessee	**Sevier County**	**Greene County**
Public Water	85.7	51.6	80.4
Public Sewer	59 9	27 8	34.9
	Michigan	**Grand Traverse**	**St. Joseph**
Public Water	70 5	36 8	45.5
Public Sewer	70.8	40.1	43 1

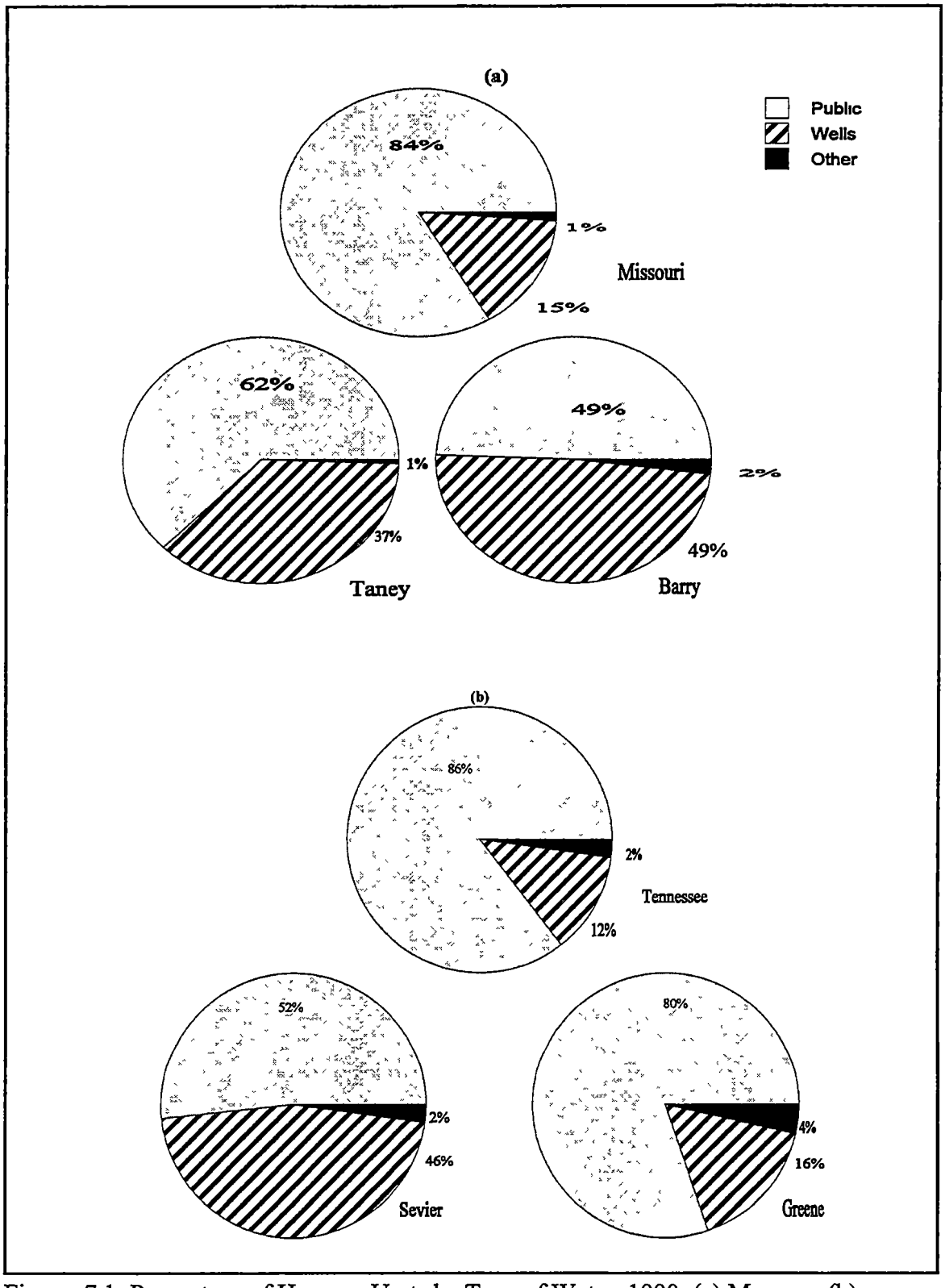
Source: U. S Department of Commerce, Bureau of the Census, Census of Population, Social and Economic Characteristics of the Population, 1990

Tennessee with 60 percent. Considering the relatively low population density of the study counties, it is not surprising that a smaller percentage of housing units are served by public sewage systems in these communities than for the state average.

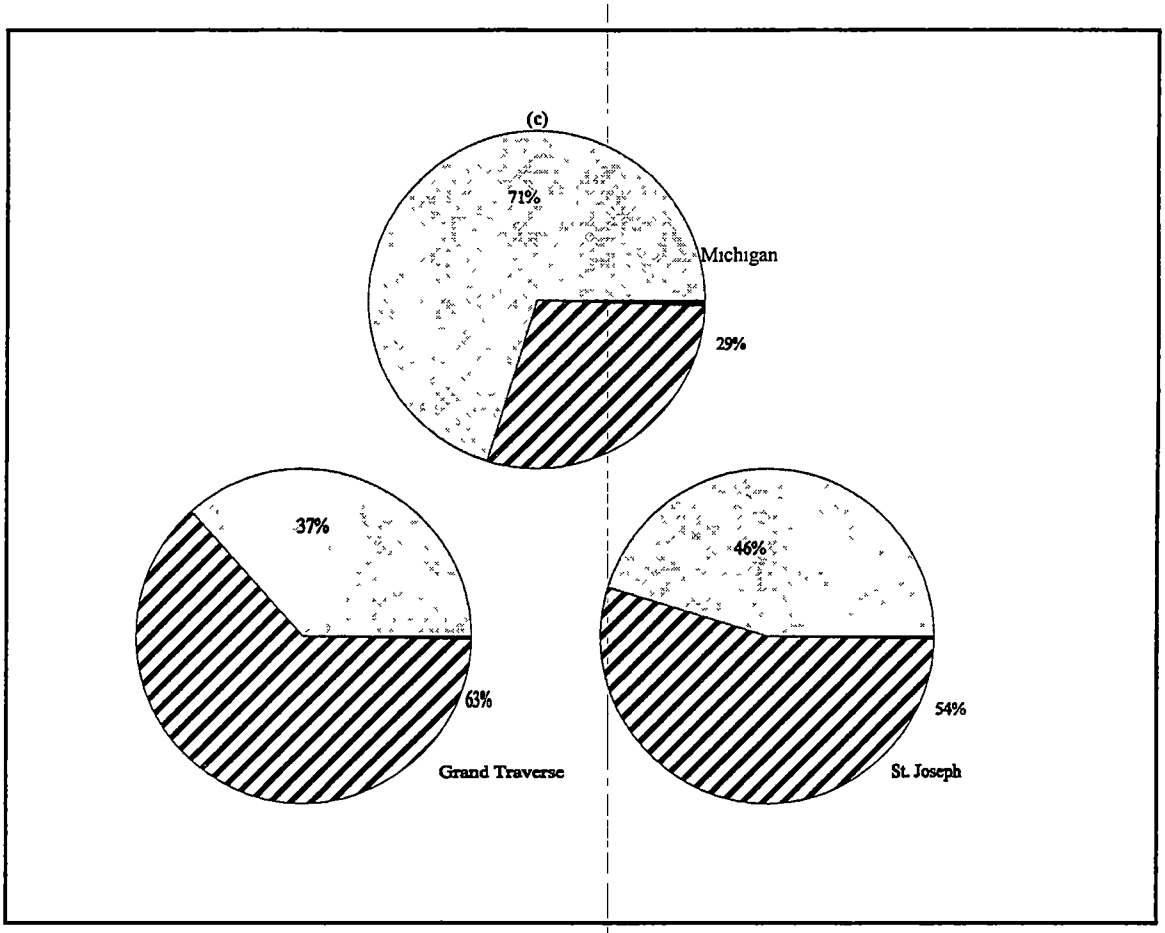
Since study counties were matched based on population densities, one would expect tourism and manufacturing counties to have a similar infrastructure in place. However, Table 7.1 shows that manufacturing-based communities experienced slightly higher percentages of housing units connected to public sewers than their tourism counterparts. In St. Joseph County more than 43 percent were connected, compared to 40 percent in Grand Traverse. In Greene County nearly 35 percent of houses were connected to public systems compared to nearly 28 percent in Sevier County. Barry County had nearly 33 percent connected and 29 percent of Taney's homes were on public systems. The slightly higher rate of public sewer connections in manufacturing counties pales in contrast to state averages and should be a primary concern in all quasi-rural counties.

Public Water v. Residential Wells

The availability of public sewers is even more important in areas that are not served by public water systems. Many residents of rural and quasi-rural areas get their drinking water from private wells. The Census of Population and Housing also provides information on the number and percentage of housing units that use wells as their primary water source. Table 7.1 includes information on public water service from the 1990 Census and Figure 7.1 charts the percentage of housing units dependent on residential wells. Michigan has the highest percentage of housing units using wells as their water source with nearly 30 percent



Figure–7.1. Percentage of Housing Units by Type of Water, 1990. (a) Missouri (b) Tennessee (c) Michigan. U.S. Bureau of the Census, Census of Population and Housing, 1990.



Figure–7 1. (Continued)

of all housing units on wells. Grand Traverse is the higher of the two study counties with 63 percent on wells, while St. Joseph had 54.4 percent on wells. There is a greater difference in the Tennessee study group where, Sevier County had 46.2 percent of its housing units on wells and Greene had only about 16 percent wells. The average for Tennessee was more than 12 percent of all housing units on well water. While Missouri, at 15.3 percent, looked similar to Tennessee, Barry -- the manufacturing county -- utilized a higher percentage of wells (48.6 percent) than Taney with slightly more than 37 percent.

Water Systems

The availability of water is important to the continued growth and development of an area. Manufacturing processes often require large quantities of water, while the increased need for water in tourism economies is based on the higher population concentrations generated by visitors. Water quality is also an important issue for residential and tourism sectors. Moreover, water quality issues are exacerbated by the limited coverage of public sewage systems in quasi-rural tourism counties. Often the public water systems in quasi-rural areas are taxed by runoff from agricultural lands, high seasonal demands and less sophisticated treatment facilities.

Because clean water is an important health and welfare issue, Congress passed the Safe Drinking Water Act in 1974 to insure that public water supplies are free of contaminants that would cause health risks. The Environmental Protection Agency (EPA) sets acceptable standards for safe drinking water for more than 80 possible contaminants including coliforms, nitrates, nitrites, lead and copper. Other microorganisms, fertilizers, pesticides and metals are also included in this list together with a specified Maximum Contaminant Level (MCL's) for each contaminant. Water is monitored on a prescribed schedule. The EPA also maintains a list of public water systems on the Internet detailing any violations of contamination levels or treatment and monitoring procedures. Currently this list is available for 1993 through 1999 (EPA, 2000).

Table 7.2 provides data aggregated from the EPA's Envirofacts Warehouse for the counties included in this study. Data are presented in two categories — one for Community Water Systems and another for Non-Community Water Systems. A Community Water

Table 7.2--Water System Safety Violations, 1993 -- 1999

(a)

Violation Type	Taney County				Barry County			
	Water systems		Population served		Water systems		Population served	
	#	%	#	%	#	%	#	%
Community Water Systems	62	100 0	25,499	100 0	25	100 0	18,469	100 0
Health Based	26	41 9	8,059	31 6	13	52 0	4,627	25.1
Population <50	9		291		0		0	
Population 51--100	8		613		3		195	
Population 101--500	6		1,074		7		1,465	
Population >500	3		6,081		3		2,967	
Monitoring, Significant	8	12 9	466	1 8	2	8 0	1,212	6 6
Population <50	6		211		0		0	
Population 51--100	1		90		1		82	
Population 101--500	1		165		0		0	
Population >500	0		0		1		1,130	
Monitoring, Non-Significant	29	46 8	12,292	48 2	13	52 0	11,442	62 0
Population <50	8		255		1		35	
Population 51--100	11		850		3		210	
Population 101--500	6		1,037		6		960	
Population >500	4		10,150		3		10,237	
Non-Community Water Syst	67	100 0	13,242	100 0	65	100 0	6,694	100 0
Health Based	33	49 3	7,933	59 9	36	55 4	4,294	64 1
Population <50	13		382		17		465	
Population 51--100	8		483		7		570	
Population 101--500	8		2,443		10		1,784	
Population >500	4		4,625		2		1,475	
Monitoring, Significant	9	13 4	1,070	8 1	18	27 7	1,420	21 2
Population <50	5		150		8		231	
Population 51--100	1		75		5		415	
Population 101--500	3		845		5		774	
Population >500	0		0		0		0	
Monitoring, Non-Significant	30	44 8	3,827	28.9	27	41 5	2,745	41 0
Population <50	13		401		18		437	
Population 51--100	7		562		3		233	
Population 101--500	6		864		5		1,350	
Population >500	4		2,000		1		725	

Note A water system and its population may experience both health and monitoring violations

Source Environmental Protection Agency (2000) <http //www epa gov/envirofacts>

Table 7.2--Water System Safety Violations, 1993 -- 1999 (Continued)

(b)

Violation Type	Sevier County				Greene County			
	Water systems		Population served		Water systems		Population served	
	#	%	#	%	#	%	#	%
Community Water Systems	26	100 0	36,413	100 0	10	100 0	58,193	100 0
Health Based	1	3 8	14,456	39 7	2	20 0	12,121	20 8
Population <50	0		0		0		0	
Population 51--100	0		0		0		0	
Population 101--500	0		0		0		0	
Population >500	1		14,456		2		12,121	
Monitoring, Significant	1	3 8	92	0 3	1	10 0	98	0 2
Population <50	0		0		0		0	
Population 51--100	1		92		1		98	
Population 101--500	0		0		0		0	
Population >500	0		0		0		0	
Monitoring, Non-Significan	9	34.6	31,019	85 2	3	30 0	11,266	19 4
Population <50	2		65		0		0	
Population 51--100	3		226		0		0	
Population 101--500	0		0		0		0	
Population >500	4		30,728		3		11,266	
Non-Community Water Sys	82	100 0	11,404	100 0	15	100 0	1,880	100 0
Health Based	15	18 3	1,032	9 0	2	13 3	80	4 3
Population <50	4		120		1		30	
Population 51--100	10		752		1		50	
Population 101--500	1		160		0		0	
Population >500	0		0		0		0	
Monitoring, Significant	11	13 4	1,437	12 6	1	6 7	100	5 3
Population <50	3		75		0		0	
Population 51--100	6		412		1		100	
Population 101--500	2		950		0		0	
Population >500	0		0		0		0	
Monitoring, Non-Significan	31	37 8	2,675	23 5	4	26 7	200	10 6
Population <50	11		320		1		30	
Population 51--100	12		925		3		170	
Population 101--500	8		1,430		0		0	
Population >500	0		0		0		0	

Note A water system and its population may experience both health and monitoring violations

Source: Environmental Protection Agency (2000) <http://www epa.gov/envirofacts>

Table 7.2--Water System Safety Violations, 1993 -1999 (Continued)

(c)

Violation Type	Grand Traverse County				St. Joseph County			
	Water Systems		Population Served		Water Systems		Population Served	
	#	%	#	%	#	%	#	%
Community Water Systems	33	100 0	25,383	100 0	20	100 0	27,791	100 0
Health Based	6	18 2	960	3 8	6	30 0	9,239	33 2
Population <50	0		0		1		48	
Population 51--100	2		150		0		0	
Population 101--500	4		810		2		483	
Population >500	0		0		3		8,708	
Monitoring, Significant	6	18 2	1,400	5 5	2	10 0	7,521	27 1
Population <50	1		50		0		0	
Population 51--100	2		200		0		0	
Population 101--500	3		1,150		1		108	
Population >500	0		0		1		7,413	
Monitoring, Non-Significan	5	15 2	681	2 7	8	40 0	13,748	49 5
Population <50	0		0		1		48	
Population 51--100	2		150		2		178	
Population 101--500	3		531		2		366	
Population >500	0		0		3		13,156	
Non-Community Water Sys	352	100 0	34,416	100 0	142	100 0	12,470	100 0
Health Based	7	2 0	585	1 7	12	8 5	1,060	8 5
Population <50	3		75		5		167	
Population 51--100	2		110		4		320	
Population 101--500	2		400		3		573	
Population >500	0		0		0		0	
Monitoring, Significant	100	28 4	11,577	33 6	64	45 1	6,260	50 2
Population <50	52		1,413		28		837	
Population 51--100	27		2,032		20		1,341	
Population 101--500	18		4,433		15		2,582	
Population >500	3		3,699		1		1,500	
Monitoring, Non-Significan	108	30 7	7,941	23 1	27	19 0	2,537	20 3
Population <50	65		1,708		13		407	
Population 51--100	17		1,178		6		410	
Population 101--500	26		5,055		8		1,720	
Population >500	0		0		0		0	

Note A water system and its population may experience both health and monitoring violations

Source Environmental Protection Agency (2000) <http://www epa gov/envirofacts>

System serves year-round residents on a daily basis. A Non-Community Water System serves customers on less than a full-time basis. Examples of Non-Community Water Systems include schools, churches, restaurants, motels and campgrounds. The total number of water systems included in each category and the population served by those water systems is detailed and used as a basis for generating percentages and facilitating comparisons. Within each category, systems in violation at sometime during the period (1993--1999) are listed by type of violation. A system is counted twice if it had both a health-based violation and a monitoring violation. Monitoring violations are broken down further to reflect whether or not any of the violations committed by a system was significant. If both types of monitoring violations occurred, the system and its service population were included only in the *significant* category.

In two out of three cases, the population appears better served by water systems in tourism communities than in manufacturing communities. Smaller percentages of consumers in these tourism communities are served by water systems experiencing health- and monitoring-based violations in water delivery. A much smaller percentage of consumers in Grand Traverse County were served by systems with violations than St. Joseph County. Only in the category of non-significant monitoring violations in non-community water systems was the percentage higher. Here, the reported level of violations was 23.1 percent for Grand Traverse compared to 20.3 percent for St. Joseph. In Missouri, all categories of violations affect a higher percentage of the population in Barry County than in Taney County except in health-based violations in Community Water Systems where 25.1 percent of Barry County customers are effected compared to 31.6 percent in Taney County.

Unlike Taney and Grand Traverse, Sevier County does not compare as favorably with it's paired, manufacturing county in health and monitoring standards violations. In fact, all types of violations affect a higher percentage of consumers in Sevier County than in Greene County. Of particular concern are the 85 percent of customers served by Community Water Systems that experienced non-significant monitoring violations. Although this high percentage was primarily attributable to a sewer treatment plant error rather than a failure to monitor, residents and visitors deserve drinking water that meets EPA standards at all times.

Air Pollution Emissions

The importance of air quality to a community's health and welfare is becoming a pivotal issue in location decisions for individuals and economic development boards. Governments no longer chase "smoke stacks " Today most communities boast about their "clean-" or "green-industries." Many claim that tourism is a clean-industry while others point out that tourists clog highways and pollute the atmosphere with exhaust fumes.

The EPA provides estimates of pollution emissions for counties in its Aerometric Information Retrieval System (AIRS) Table 7.3 features data from the National Emissions Trends (NET) Inventory. Emission standards, set by the EPA, provide the basis for collecting information on pollutants that adversely affect one's quality of life. Pollution emissions data in this inventory are classified in two major categories: area and mobile sources and point sources. Area sources are small stationary sources while point sources are large stationary sources that emit a threshold level of designated pollutants.

Table 7.3 -- Pollution Emissions Inventory, 1996 (In short tons)

County	CO	NOX	PM10	SO2	VOC
		Area and Mobile Sources			
Taney County, MO	10,618	1,649	11,906	241	2,306
Barry County, MO	13,696	2,193	14,966	363	2,870
Sevier County, TN	17,760	2,810	2,579	314	3,435
Greene County, TN	20,997	3,517	4,320	372	5,097
Grand Traverse County, MI	24,726	4,358	6,306	610	6,238
St. Joseph County, MI	17,505	3,957	6,527	585	4,810
		Point Sources			
Taney County, MO	1,964	146	1,527	8	1,779
Barry County, MO	3	115	161	54	215
Sevier County, TN	5	41	19	89	2
Greene County, TN	87	32	124	73	1,561
Grand Traverse County, MI	67	289	33	243	289
St. Joseph County, MI	607	2,254	767	356	1,108

Note: Area sources are small stationary sources, point sources are large stationary sources that meet established thresholds of pollutants.

CO - Carbon Monoxide gas
NOX - Nitrogen Oxides
PM10 - Particle Matter (<10 um)
SO2 - Sulfur Dioxide gas
VOC - Volatile Organic Compounds

Source: Environmental Protection Agency, (2000). <http://www.epa gov/airsdata/net.htm>.

Data from this inventory show that automobiles are a major source of pollution in a county like Sevier. In fact, 62 percent of Sevier's recorded emissions of carbon monoxide gas and 72 percent of its nitrogen oxide emissions are attributed to highway vehicles Surprisingly, highway vehicle emissions are not reported in data for the other study counties. However, the inclusion of vehicular emissions in Sevier County's total does not bring it to the level of Greene County for any pollutant. However, plants in Sevier emitted slightly more nitrogen oxide and sulphur dioxide gas than point sources in Greene. Still the difference was not great enough to put Sevier in the lead when area, mobile and point sources were considered together.

Taney County Missouri also boasted a lower level of area and mobile source pollution emissions than Barry County in 1996 although its point source emissions were much higher than Barry's Solvents were the main pollutant in Taney County industry.

Unlike the other tourism counties in the study, Grand Traverse County's area and mobile sources emitted higher levels of pollutants than it's manufacturing counterpart. Although it had lower levels of point source emissions of pollutants than Barry, Grand Traverse was responsible for higher levels of carbon monoxide gas and slightly higher volatile organic compounds when all sources were added together for 1996.

Generally, tourism counties had lower pollution emissions than their manufacturing counterparts However, pollution is more than a local problem. Although pollutants emitted from a particular source may have little effect on the immediate environment, communities and their industries must accept responsibility for effects to the regional and global environments especially where airborne pollutants are concerned.

Hazardous Wastes and Toxic Chemical Releases

Hazardous Wastes and toxic chemicals are two other categories of harmful pollutants inventoried by the Environmental Protection Agency. Although the database does not appear to be as complete for these environmental threats as for air pollution and water treatment programs, available data for the study counties are shown in Table 7.4. The possible effects from hazardous wastes appear to be more prevalent in the manufacturing counties of Barry, Greene and St. Joseph than in their tourism counterparts. The lack of data and low levels of hazardous wastes in the tourism counties are probably due the small amounts produced by businesses and industries in these economies. The photo shops, dry cleaners and auto repair shops produce such a small quantity of hazardous waste that the amount doesn't show up in inventories unlike quantities of hazardous wastes produced by chemical producers and many other large scale manufacturers.

Toxic chemical releases into air, land or water are also more likely to occur in manufacturing economies than in tourism counties. Data on toxic chemical releases are primarily drawn from manufacturing facilities, but on-site wastewater treatment facilities and landfills are also included in this EPA monitoring program. Table 7.4 details the magnitude of toxic chemical releases in the quasi-rural counties of this study and alerts communities to the possibility of this type of environmental danger.

Table 7.4--Hazardous Wastes, 1991 and 1993; Toxic Chemical Releases, 1991--1997 (Selected Years)

	Hazardous Wastes					
	Taney	Barry	Sevier	Greene	Grand Traverse	St. Joseph
Generated (tons)						
1991	n.a	81,960	n a.	162,916	0	6,307
1993	n a	648	66	1,955	1	5,172
Managed (tons)						
1991	n.a	81,735	n.a	161,336	0	5,859
1993	n.a	422	n a	0	0	4450

	Toxic Chemical Releases					
	Taney	Barry	Sevier	Greene	Grand Traverse	St. Joseph
1991	n a	421,957	42,189	452,989	58,921	903,911
1993	n a	684,513	74,415	404,135	35,092	1,551,591
1995	n.a	659,188	4,200	128,887	50,973	1,012,626
1997	n.a	162,923	3,335	72,024	40,729	1,193,953

Source Environmental Protection Agency (1999) <http //www.epa gov/CEIS>

CHAPTER EIGHT

Quality of Life

Many of the goals that make a community a great place to live and work can often be bundled together and called *quality-of-life* issues. These characteristics are also important in that they facilitate the achievement of other goals such as better employment and income opportunities. Quality-of-life goals include an educated workforce, adequate and affordable housing, a basic income for all residents, low crime rates and adequate healthcare. Tourism communities (particularly those located in quasi-rural areas) usually possess characteristics like natural beauty, but these other quality-of-life characteristics are particularly difficult to achieve in growing tourism communities where individual business interests can easily overshadow community needs.

Poverty

Because of the typically low wages paid to tourism workers, counties with tourism concentrations are often concerned about poverty. The goal of providing the means to a basic standard of living for its residents is one governments and community social organizations strive to achieve. Table 8.1 provides data on the incidence of poverty as a percentage of the total resident population from the Population Census for 1970, 1980 and 1990. (Note that all data on income are for the year prior to the Census.) Intercensal estimates are made periodically between decennial census years. The most recent estimates are included for counties for 1995.

Table 8.1--Persons Living in Poverty, 1969, 1979, 1989 and 1995 (Percent)

Year	State	Tourism	Manufacturing
	Missouri	Taney County	Barry County
1969	11 6	17.5	18.9
1979	12.2	13 8	15.4
1989	13.3	13.6	16.6
1995	13.4	12.3	15.8
Year	**Tennessee**	**Sevier County**	**Greene County**
1969	18.3	19.3	21.1
1979	16.5	15.1	18.0
1989	15 7	13.2	16.9
1995	14 7	13.6	16 2
Year	**Michigan**	**Grand Traverse**	**St. Joseph**
1969	7.3	7.3	8 1
1979	10 4	8.3	9.7
1989	13.1	8 5	11.5
1995	12.6	7.9	10 8

Source U. S Department of Commerce, Bureau of the Census, Census of Population, Social and Economic Characteristics, 1970, 1980,1990

Poverty data for 1969 through 1995 paint a convincing story that counteracts perceptions of poverty in tourism counties. Throughout the study period, tourism counties had a lower percentage of persons living in poverty than manufacturing counties of similar size. In fact, poverty was experienced by a smaller percentage of residents in Grand Traverse County than in the state of Michigan throughout the study period. The same is true of Sevier County after 1979 and of Taney County beginning in 1995.

Crime

Knowledge or perceptions of high crime rates usually don't keep vacationers from visiting popular destinations particularly if the crimes committed are primarily nonviolent crimes. However, a personal experience with any kind of crime may cause a tourist to choose another comparable destination. Just as a personal experience with crime negatively affects the tourist's feeling of well-being, residents also evaluate the quality of life in a community in terms of its safety. Crimes known to police are reported in the Federal Bureau of Investigation's (FBI) Uniform Crime Reports and are available on the Internet for most counties and many cities.

Crime rates per 100,000 population is the measure most often used and this rate works well for comparing most geographic areas. As Table 8.2 shows, tourism counties in this study usually have higher crime rates than their manufacturing counterparts. The only exception is Grand Traverse Michigan's rate in 1995 which was 3,300 compared to St. Joseph's rate of 3,546. Also, the quasi-rural counties studied usually had lower crime rates than the state as a whole until 1995.

Table 8.2 -- Crime Rates, 1975, 1985 and 1995

Year	State	Tourism	Manufacturing
	Missouri	**Taney County**	**Barry County**
1975	5,390	n.a.	1,343
1985	4,649	12,926	1,233
1995	5,465	20,125	844
	Tennessee	**Sevier County**	**Greene County**
1975	4,285	1,082	2,063
1985	4,316	2,207	1,673
1995	6,047	9,972	3,651
	Michigan	**Grand Traverse**	**St. Joseph**
1975	6,830	4,985	3,912
1985	6,358	4,257	3,811
1995	5,184	3,300	3,546

n.a. not available

Note: Rate is per 100,000 population.

Source: U. S. Department of Commerce, Bureau of the Census, City and County Data Book, 1977; 1988; and USA Counties, 1998 (CD-ROM).

The only reasonable explanation for the magnitude of Taney County's high crime rate of 12,926 in 1985 and 20,125 in 1995 is that Taney is a tourist destination with a visitor population many times greater than its small, resident population. Further comments would require an investigation into crime and crime reporting in Taney County which is beyond the scope of this study.

Education

Methods of measuring education have changed over the last few decades. Prior to 1990, the Census of Population collected information on the number of years of school a person completed and a common statistic derived from this measurement was the median years of education for the residents of a geographic area. Since the years of school completed did not provide information on the attainment of various levels of education, the Census question was changed in 1990 to reflect an interest in degrees from high school graduation through associate, baccalaureate and doctoral degrees. For comparison purposes, 1990 educational attainment data were converted to years of school completed by crediting those with a general education diploma (GED) or better with '12 or more years in school'. Persons attaining a baccalaureate degree or better were credited with '16 or more years in school'.

Other possible educational statistics that could be used for comparisons include test scores on college entrance exams and various state-developed and state-administered tests for primary and secondary education. As yet, none of these tests yield consistent results from one state to another. Even college entrance exams lack consistency in coverage because of

differences in test preference of colleges and universities to which high school students from a particular area choose to apply.

New tests are being developed in many states to address "workforce readiness." While these are valuable in assessing educational progress and skill levels among recent high school graduates in communities across the state, they cannot be used for interstate comparisons at the present time.

Table 8.3 provides education data from the Census of Population for 1970, 1980 and 1990 for selected tourism and manufacturing counties as well as the average for these states. Although several differences are noted in the data series, similarities observed include that people are spending more years in school and that residents of tourism counties have completed more years in school than residents of manufacturing counties. One exception is that at the beginning of the study, in 1970, Greene County had higher percentages of residents with 12- and 16-years education than Sevier. Also noteworthy is that residents of Grand Traverse County complete more years of school than the average Michigan resident.

Figure 8.1 depicts the 1990 data by degree attainment for the study counties. This chart also shows the percentage of the population who have not completed the ninth grade. Once again, tourism counties (Taney, Sevier and Grand Traverse) have smaller percentages of residents with less than a ninth grade education. These counties also have larger percentages of residents who have attained a bachelor's degree or better.

Table 8.3--Educational Attainment, 1970, 1980 and 1990 (Percent of Population age 25 and over)

	12 Years or More in School			16 Years or More in School		
Year	Missouri	Taney	Barry	Missouri	Taney	Barry
1970	48 8	48 5	41 8	9 0	8 1	4 4
1980	63 5	65 4	57 0	13.9	12 6	7 0
1990	73 9	70 8	67.4	17.8	14.3	8 5
	Tennessee	**Sevier**	**Greene**	**Tennessee**	**Sevier**	**Greene**
1970	41 8	33 2	34 4	7 9	4 7	5 5
1980	56 2	50.9	47.5	12 6	9 3	8 9
1990	67 0	63 0	58.1	16 0	10 8	10 3
	Michigan	**Grand Traverse**	**St. Joseph**	**Michigan**	**Grand Traverse**	**St. Joseph**
1970	52 4	59 5	53 8	9.4	10 5	6 9
1980	68 0	77 2	65 7	14.3	19 1	9 3
1990	76 8	84 9	73 8	17.4	22 1	10 9

Note. Data for 1990 represent High School graduates or better for persons with 12 or more years of school and Bachelor's degrees or better for persons with 16 or more years of school.

Source U. S. Department of Commerce, Bureau of the Census, City and County Data Book, 1977 1988; and (1998) USA Counties, 1998, (CD-ROM)

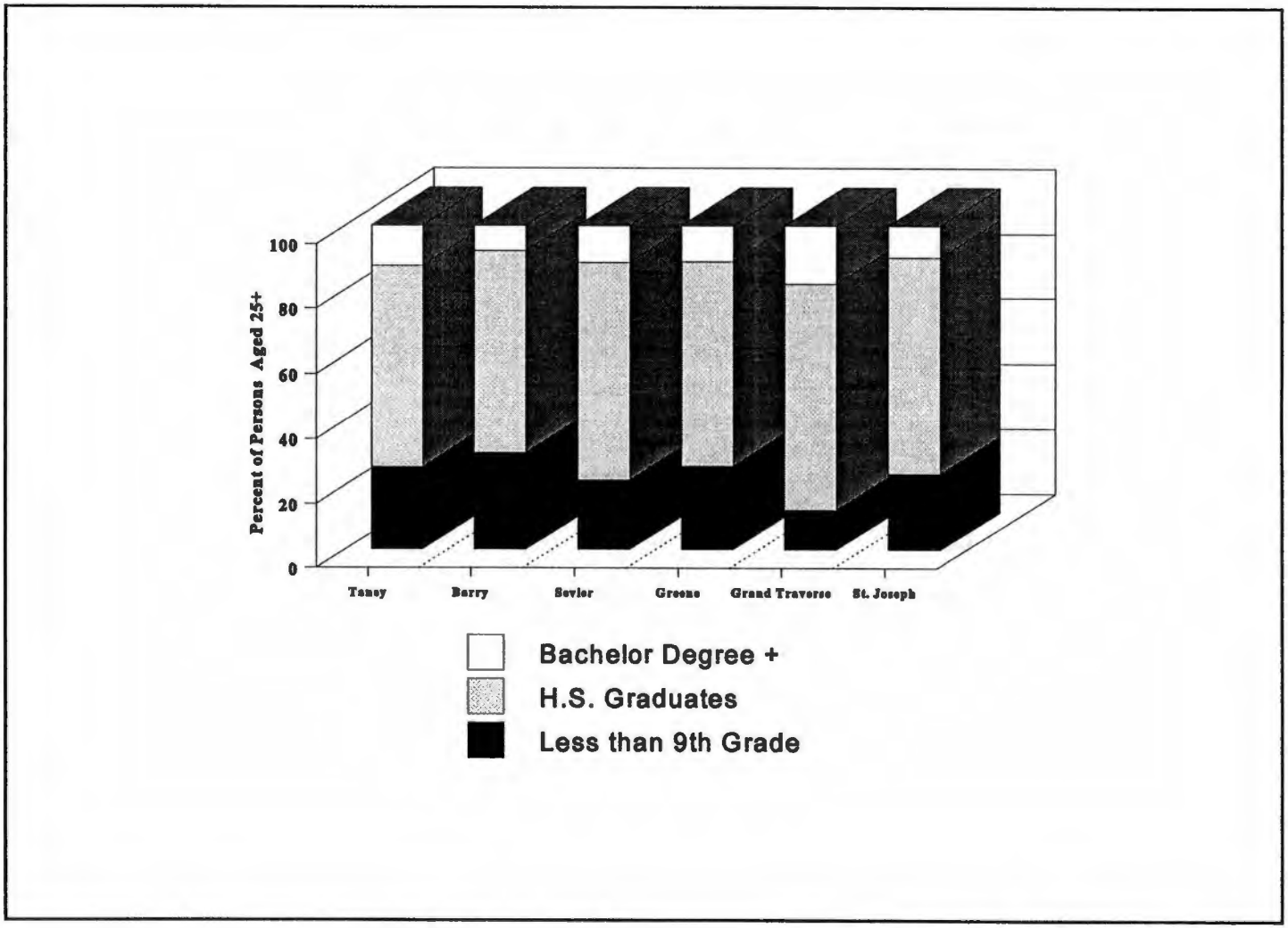


Figure--8.1: Educational Attainment, 1990. U.S. Bureau of the Census, Census of Population, 1990.

Housing

Because land and housing are scarce commodities in successful tourism communities, the median value of owner-occupied housing units and the median rents of renter-occupied housing are greater in tourism counties than in their paired, manufacturing counties (see Table 8.4). Only Sevier County provides the exception in 1970 when tourism was just beginning to expand outside Gatlinburg and both median value and rent were lower than in its paired, manufacturing county. Also, median housing values have been higher in Sevier County and Grand Traverse than the state average for their respective states since 1980. However, median rents for all study counties, are lower than their respective state averages.

Concern for affordable housing in tourism counties is partially eased by the fact that rents consumed only a slightly higher percentage of income in these counties as compared to manufacturing counties. The greatest difference was in Taney County where rents were on average 25 percent of income compared to Barry County where rents were only 23 percent of income. The least difference was in Grand Traverse where rents consumed one-tenth of 1 percent more of income than in St. Joseph County.

The adequacy of housing is also evaluated by questions in the Census of Population and Housing that ask whether a housing unit has complete plumbing fixtures (three pieces). Crowding in a housing unit is also defined as more than one person per room. These variables, reported in Table 8.5, show that housing units are slightly more adequate in tourism counties than in manufacturing counties. The main exception was slightly more crowding in Sevier County than in Greene County. Another observation yielded by these

Table 8.4--Housing Values, 1970, 1980 and 1990 (In dollars)

	State	Tourism	Manufacturing
	Missouri	**Taney**	**Barry**
Median value, owner occ.			
1970	14,438	13,729	9,407
1980	36,700	37,400	29,200
1990	59,300	56,300	42,300
Median rent, renter occ.			
1970	96	79	67
1980	211	189	158
1990	368	307	280
Percent of '89 income	25.2	24.7	22.8
	Tennessee	**Sevier**	**Greene**
Median value, owner occ.			
1970	12,755	11,586	12,099
1980	35,600	37,700	30,200
1990	58,000	62,100	44,000
Median rent, renter occ.			
1970	82	67	71
1980	203	202	164
1990	357	347	272
Percent of '89 income	25.0	24.5	22.9
	Michigan	**Grand Traverse**	**St. Joseph**
Median value, owner occ.			
1970	17,590	16,340	12,710
1980	39,000	45,300	32,400
1990	60,100	66,700	44,500
Median rent, renter occ.			
1970	118	113	103
1980	250	273	226
1990	423	446	345
Percent of '89 income	27.2	25.5	25.4

Source: U. S. Department of Commerce, Bureau of the Census, City and County Data Book, 1977, 1988; USA Counties, 1998.

Table 8.5--Characteristics of Sub-Standard Housing 1970, 1980 and 1990 (Percent of occupied housing units)

	State	Tourism	Manufacturing
	Missouri	**Taney**	**Barry**
Lack complete plumbing			
1970	7.0	11.6	10.7
1980	2.1	2.3	3.5
1990	1.0	0.5	1.8
Persons per room >1			
1970	8.0	7.6	7.8
1980	3.4	3.1	3.7
1990	3.1	2.4	3.1
	Tennessee	**Sevier**	**Greene**
Lack complete plumbing			
1970	13.0	19.5	23.8
1980	3.7	4.9	7.4
1990	1.3	2.1	2.4
Persons per room >1			
1970	9.5	11.0	8.5
1980	4.4	3.9	4.0
1990	2.6	2.9	2.6
	Michigan	**Grand Traverse**	**St. Joseph**
Lack complete plumbing			
1970	2.9	3.2	3.7
1980	1.3	1.2	1.4
1990	0.4	0.5	0.8
Persons per room >1			
1970	7.4	5.5	5.1
1980	3.1	2.2	2.6
1990	2.5	1.8	2.3

Source: U. S. Department of Commerce, Bureau of the Census, City and County Data Book, 1977; 1988; and Census of Population, Social and Economic Characteristics, 1990.

data is that the adequacy of plumbing facilities improved markedly in the study counties in Missouri and Tennessee between 1970 and 1980.

Healthcare Indicators

As counties grow and develop, healthcare facilities usually expand to serve the growing needs of the population. Like crime statistics that encompass a tourist population greater than its attributable resident population, health facilities and medical personnel in tourism counties also serve a larger population than that accounted for by the county's resident population. This logic certainly appears to be true for Taney County and Grand Traverse which have more physicians and hospital beds than their manufacturing counterparts (see Table 8.6). However, Sevier County has significantly fewer physicians and hospital beds per 100,000 population than Greene.

The best explanation for the lower rates for hospital beds and doctors for Sevier County is Sevier's proximity to Knoxville and a tendency for residents to travel to this regional, metropolitan center for medical services. In fact, Knox County hospitals are listed as the first choice by nearly 70 percent of hospital admissions of Sevier residents while only 27 percent used the Sevier hospital. By contrast, 86 percent of Greene County residents selected Greene County's hospital for admission (Tennessee Department of Health 1999). Still, at a time when greater efficiencies are seen in all aspects of medical care, Sevier has maintained the rate of physicians per 100,000 and seen only a slight decline in the rate of hospital beds per 100,000. Because of the service/patient ratios required for success in the healthcare field, tourism communities are able to offer more specialized services to their

Table 8.6--Selected Health Indicators, 1975, 1985 and 1990 (Rate per 100,000 Population)

	State	Tourism	Manufacturing
	Missouri	**Taney**	**Barry**
Physicians (rate)			
1975	147	62	60
1985	179	66	54
1990	197	70	44
Hospital beds (rate)			
1975	734	476	369
1985	661	416	369
1990	466	321	254
	Tennessee	**Sevier**	**Greene**
Physicians (rate)			
1975	139	49	74
1985	175	54	93
1990	197	49	111
Hospital beds (rate)			
1975	787	244	539
1985	659	285	461
1990	476	211	503
	Michigan	**Grand Traverse**	**St. Joseph**
Physicians (rate)			
1975	145	254	74
1985	174	234	75
1990	184	268	71
Hospital beds (rate)			
1975	569	2313	539
1985	512	951	284
1990	352	638	196

Note: Hospital data for 1990 is for community hospitals only.

Source: U. S. Department of Commerce, Bureau of the Census, City and County Data Book, 1977; 1987; and USA Counties, 1998, (CD-ROM).

residents than would be possible otherwise. Equipment purchases are also dependent on the size of a community's patient population. Moreover, since tourists add to the population base of tourism counties and are more likely to use area medical facilities for emergency treatments, tourism communities can provide a broader range of specialized personnel and equipment than would be possible in an average community.

CHAPTER NINE

Conclusion

This study was undertaken in the hope of determining whether tourism could provide growth and development comparable to that achieved by manufacturing industry concentrations in quasi-rural counties. The tourism counties studied are widely recognized as successful tourist destinations which offer a broad base of attractions including scenic beauty, entertainment, shopping, food and lodging. Similarly, the manufacturing counties were selected on the basis of their concentration of manufacturing industry throughout the study period. In addition to economic factors like jobs and income, success was also measured in terms of the quality of life tourism and manufacturing afforded the average resident. Environmental effects were also studied.

People and Jobs

Tourism counties attract new residents and retain current residents because jobs are abundant. At a period in history when manufacturing jobs are declining nationwide and service and trade sectors are expanding, communities that are dependent on manufacturing jobs are more likely to lose jobs while those that have learned to attract trade and service employers are more likely to see continued net gains. Moreover, manufacturing jobs in quasi-rural counties have traditionally been low skill jobs and these are no longer profitable in a global economy where labor costs can be reduced by shipping the jobs offshore.

High unemployment rates that once plagued tourism communities have been reduced by expanding the tourist season to nine months and, in the case of Grand Traverse County, a year-round economy. By appealing to different groups of tourists in different seasons and expanding activities to include Fall and Winter holiday entertainment and events, tourism destinations are limiting downtime to a period of weeks that barely allow enough time for refurbishing facilities. The impact felt by the closing of an inefficient manufacturing plant in a quasi-rural county is often greater than the few weeks of *planned* downtime in a tourism county.

Income and Poverty

Abundance and lack of income are opposite ends of a continuum that exists in every community. The tourism counties in this study are recognized as successful tourism destinations. In the early years of the study, these counties barely produced as much income as their slightly-larger manufacturing counterparts. However, their entrepreneurial spirit enabled tourism counties to maintain the lead in per capita income earned by residents. In fact, total personal income growth in the tourism counties was nearly twice that of the manufacturing counties over the entire 25-year period.

Although tourism counties had to contend with poverty, a smaller percentage of the residents of tourism counties lived in poverty even in the early years. Among tourism counties, the largest percentage of persons living in poverty was 19 percent in 1969 in Sevier County. However, Greene County experienced a rate of 21 percent in poverty in that year. Poverty has declined in all tourism counties and in most manufacturing counties studied. In

1995, the rate for Sevier was still the highest of the tourism counties at 13.6 percent, but poverty was greater in Greene County at 16.2 percent. Tourism counties also posted a lower incidence of poverty than state averages. Also, because many government payments are made to persons living in poverty, lower poverty rates mean that fewer government dollars are required for medical assistance and income maintenance like food stamps, AFDC and other programs. Therefore, a larger share of personal income in tourism counties is received from current labor and a smaller share comes from transfer payments.

Government Revenues and Expenditures

Governments in tourism counties oversee budgets of counties twice the population-size of their county. Fortunately, a large portion of the local revenue is contributed by tourists in the form of sales taxes, hotel and amusement taxes and others. In fact, property taxes can be maintained at relatively low levels by substituting taxes that can be exported to tourists. While tourism counties incur additional costs for police protection, highways, sewer and waste disposal, these are usually less per capita than the actual tourist impact. The parks and recreation department budget is another area where tourism counties spend additional revenue, but this is an area that contributes to a higher quality of life for its residents.

Environmental Impacts

Clean water is major issue for quasi-rural counties. Many areas are not served by public water and sewer systems and public service is often hampered by runoff from agricultural lands. Larger percentages of homes in two out of three tourism counties depend

on wells and these residences are rarely served by public sewer resulting in greater opportunity for drinking water contamination. On the brighter side, two of three tourism counties were better served by public systems than their manufacturing counterparts. Grand Traverse County is an excellent example of actions that can be taken in rural areas to insure against health- and monitoring-based violations in non-community water systems. Local government took over water monitoring for these systems.

Although air quality cannot be controlled locally that is the only place that control can begin. Tourism counties are often cited for air pollution from vehicle traffic. Of the tourism counties studied, only Sevier was specifically credited with significant levels of vehicle emissions. However, a sum of vehicle and other emissions for Sevier were not as high as Greene County's total from manufacturers. Emissions totals that were cited for tourism counties were generally from manufacturing establishments.

Hazardous wastes and toxic chemical releases were also more prevalent in manufacturing counties.

Quality of Life

Tourism counties fared about as well as manufacturing counties on quality-of-life issues. Two of the five variables were definitely more favorable in tourism counties. These were the poverty and education. Tourism counties definitely have lower incidences of poverty and more highly educated residents than manufacturing counties.

Healthcare was better in two out of three tourism counties than in their manufacturing counterparts.

Housing was valued higher in tourism counties, but it was also more adequate in terms of plumbing facilities and crowding. Although rents were also higher in tourism counties, they required less than 2 percent more of income than in manufacturing counties.

The most negative quality of life issue for tourism counties was crime. However, tourism's higher crime rates should be considered in light of the population served. Currently, crime rates are based on resident population which represents less than half of the population served in tourism areas.

Summary

Since 1970, the United States has begun to shift away from manufacturing as many labor-intensive industries have moved offshore to take advantage of lower labor costs. At the same time people have more disposable income and leisure time to spend on recreational activities. These two factors have probably contributed to the success of tourism. The counties studied have prospered as tourist destinations over the last thirty years. Because of their success in tourism, these counties can now choose their industries on the basis of the firm's contribution to the local economy rather than as a desperate effort to get jobs. This study has shown that quasi-rural counties that have a comparative advantage in location and natural amenities can prosper and achieve a good quality of life for residents through tourism.

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Betty Vickers has served on the board of directors of the Association of Public Data Users, and as president of the Knoxville Research Network. She is also an active member of several civic, professional and religious organizations. She is a member of Leadership Sevier and Leadership East Tennessee and serves as an active participant in both of these community organizations. She has also assisted with Nine Counties One Vision, a Knoxville-centered community visioning organization.