

**U.S. House of Representatives  
Committee on Natural Resources**

Submitted by:

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February 28, 2007

***Evolving West***

I commend the Committee on Natural Resources for holding this hearing on the “Evolving West” and thank you for the invitation to testify. My name is Luther Propst. I am the executive director of the Sonoran Institute, a non-profit organization dedicated to promoting community decisions that respect the land and the people of the West. At the Sonoran Institute, we work every day on key trends and issues that influence the health and prosperity of the rapidly changing American West.

**About the Sonoran Institute**

The Sonoran Institute, founded in 1990, is based in Tucson, Arizona, with offices in Phoenix, Arizona; Bozeman and Helena, Montana; Grand Junction, Colorado; and Mexicali, Mexico. The Institute’s mission is to inspire and enable community decisions and public policies that respect the land and people of western North America. Through civil dialogue, collaboration, and applied knowledge, we work toward a shared community vision of lasting conservation and prosperity.

The Institute has numerous successes resulting from our collaborative and community-based approach to conservation. We have assisted more than 40 communities in western North America conserve or restore over 367,000 acres of public and private lands; secured more than \$228 million for local conservation; and established more than two dozen organizations, programs, and partnerships across the West dedicated to furthering conservation efforts on public and private lands. A hallmark of this success is our ability to reach out and engage diverse decision-makers and rural community members in conservation partnerships that reach across public, state, and private lands.

Our work is based on the premise that given a foundation of civil dialogue and meaningful public participation, a climate of inclusion and collaboration, and access to the best, most innovative tools and information, people in the private sector and all levels of government will make better decisions about conserving, developing and managing our land and waters; structuring our economy; and building livable communities.

An example of this kind of collaboration is the partnership between the Sonoran Institute and the National Association of Counties (NACo). We jointly sponsor a training program for county officials, called the *Western Community Stewardship Forum*, which helps rural county

commissioners better manage growth. Through our partnership with NACo, we have trained and assisted more than 286 local leaders from 49 counties in eight Western states.

### **The West's Unique Position**

The West is a landscape that stirs deep passion for many people with its wide open spaces; historic ranches and picturesque small towns; intact wildlife habitat; and opportunities for outdoor recreation. The region is unique in that half of the region is public land.

Aside from the landscape, the American West finds itself in a unique position in the global economy. Nowhere else do such vast and diverse expanses of wild lands and wildlife habitat adjoin prosperous, well-educated, economically diverse cities and towns.

More than any other place on the planet, the West combines a vibrant, diverse, mature economy with the protected public lands that provide world-class hiking, fishing, hunting, skiing, river running, wildlife watching, and opportunities for outdoor solitude.

**In fact, the opportunity to live in a prosperous city or town surrounded by scenic, protected lands is perhaps the West's most important competitive advantage in an increasingly global economy.**

As a result of these factors, the West is changing rapidly. Our population is growing and diversifying. Our economy is prospering and changing rapidly, though too many communities are left behind economically. Our public lands and the communities that adjoin them are becoming ever more popular. And yet our perceptions and policies have often not been so quick to evolve.

The Sonoran Institute has researched the economy of the West and the relationship between public lands and local economic prosperity. We present our findings in two recent reports: *Prosperity in the 21<sup>st</sup> Century: the Role of Protected Public Lands* and *You've Come a Long Way Cowboy: Ten Truths and Trends in the New American West* ([www.sonoran.org/reports](http://www.sonoran.org/reports)). To summarize several key points:

**Public lands are increasingly proving themselves to be a foundation for economic prosperity in a changing global economy.** Traditionally this prosperity has occurred through “boom and bust” extractive and transformative industries, but now the relationship between public lands and local and regional economies is much more complicated. The economic value of these lands is no longer defined largely by their ability to produce timber, forage, minerals, or energy. While such traditional economic activities remain important to the West, especially in select communities, these lands make a much more significant economic impact by virtue of their contribution to developing a diverse “knowledge economy” in the West by retaining and attracting educated workers. Public lands in general correlate with local economic prosperity in Western counties, but types of management also matter. Unprotected lands that are the furthest from protected lands are the least likely to add to economic growth, while protected lands close to more protected lands are the most likely to boost that growth.

**Personal income in counties with more public land grows faster than in those with less.**

From 1970 to 2000, real per capita income in isolated rural counties with protected lands grew more than 60 percent faster than isolated counties without any protected lands. In rural counties that were connected to larger markets *and* had protected public lands, real per capita income grew 75 percent faster than in counties that were connected, but did not have protected lands.

**Counties with public lands in protected status are more prosperous than those that do not.**

Counties with large amounts of protected public lands have grown up to 66 percent faster than counties where a similarly high percentage of public land is not protected. The slowest economic growth occurs in counties with unprotected public lands and that are not close to protected areas. This applies not only to our well-known national parks and Forest Service wilderness areas, but also to the lesser-known protected areas managed in the National Landscape Conservation System by the Bureau of Land Management. In a study we completed in 2005, *The National Landscape Conservation System's Contribution to Healthy Local Economies*, we examined 32 counties with designations dating back to the 1980s. Of these, 26 experienced continued growth in total personal income, population, per capita income and total employment before and after designation.

**Counties with a diverse economic base perform better than those with a high degree of dependence on a single activity, be that resource extraction or tourism.** Slow growth or economic decline is associated closely with remoteness, economies dependent on one industry, and few newcomers. Dependence on any one industry – whether it is resource extraction, agriculture, or manufacturing – makes an area vulnerable to fluctuations in global commodity prices and boom and bust cycles. In particular, we also found an inverse relationship between resource-extraction economies and county prosperity. In other words, the more dependent a county's economy is on personal income earned from resource extractive industries, the slower the growth rate of the economy as a whole. Factors that stimulate the economy other than lands include: high-wage producer services, education, an airport, the arts, a ski area and mountains.

Economic diversification is happening across the West – even in rural areas where one might assume that traditional industries still play a major role. In 1970 in the rural West, agriculture, mining, timber, oil and gas were 20 percent of the economy, but 30 years later, they were only 8 percent. Seven years ago, there were only 23 counties left in the West where more than 10 percent of the employment was based in transformative industries. This trend shows a maturation of Western economies – where once we relied on a single commodity, our towns and cities are now more diverse and therefore safer from global shifts in commodity prices.

**The major economic engine in the West is coming from new and innovative sectors.** For example, “services” make up 80 percent of all jobs and more than half of all net growth in real personal income in the last 30 years. Jobs in services include high-wage occupations in medical care, finance, engineering, and business or professional services, and also those relatively lower-wage and seasonal occupations such as in tourism and food service. Since most of the growth in the West, whether in rural or urban areas, is in services, the prosperity of rural communities depends on their ability to move beyond lower-paid jobs and capture those higher-wage service sectors. For a county or state to capture these high-wage producer services, education is an essential factor – we found that from 1990 to 2003, real wages in counties where more than 50

percent of the jobs require a college degree grew by 26 percent, compared to 7 percent growth in counties where less than 50 percent of the jobs required a college degree. By 2003 the average wage in the “college degree required” counties was \$52,678, or 75 percent higher than the \$39,409 average wage in counties where most jobs do not require a college degree.

**Non-labor income, which is primarily age-related payments or money earned from investments, is actually the largest source of real income growth in the rural West.** Non-labor income is 30 percent of all personal income and more than 20 percent of income growth in the last 30 years. These trends reflect an aging population and a different type of retirement – one where retirees are active citizens and are often attracted by recreational activities.

**Hunting and angling are major forces in the Western economy and their impact is felt in two completely different ways.** According to *Backcountry Bounty: Hunters, Anglers and Prosperity in the American West*, a report published by the Theodore Roosevelt Conservation Partnership and the Sonoran Institute, the first is direct expenditures. For example, hunters and anglers contributed \$548 million in total expenditures in Arizona, \$542 million in Idaho, and \$530 million in Montana in 2001. In Montana, 68 percent identify themselves as public land hunters, while in Arizona it is 82 percent and in Idaho, 88 percent. Sportsmen account nationally for a \$70 billion dollar industry – larger than Home Depot or AT&T. According to the International Association of Fish and Wildlife Agencies, \$4.7 billion was spent on retail sales and more than 9,000 jobs were created for hunting in Colorado in 2001.

Second, hunters, anglers, and other outdoor enthusiasts who visit the West quite often relocate and bring income and jobs to the places they hunt, fish or visit. For example, Paul Bruun, who first visited Wyoming to fish with his grandfather in 1955, owns and operates the earliest float-fishing permit on the lower Snake River. He is quoted in *Backcountry Bounty*: “I know my small operation and others like it are the economic foundation to many Western communities.” Another example is Rhonda Fitzgerald, quoted in the Western Montana Business Journal in 2004: “Almost all the people who have opened new businesses here in the last 25 years came here as visitors and stayed because they loved it. That’s what I did.”

We have found that the influx of new people is very closely tied to economic growth. These people are attracted to places with reasonable access to markets, good educational systems, and the presence of amenities – almost always protected public lands, wildlife habitat, or wild rivers with good fishing.

This “**amenity growth**” in the West offers opportunity and prosperity, but also presents a new generation of challenges. Addressing these challenges requires a partnership between the public and private sectors, and among cities and towns, counties, Western states and the federal government. Two of the most pressing challenges are:

**Some communities are left behind** due to isolation, low commodity prices, and played-out resource extraction. It is encouraging to note that investment in alternative or renewable energy resources offers great promise to many of these economically struggling communities — wind in Montana and Wyoming, oilseed crops in Oregon and Washington, and solar facilities in the Southwest.

**Parts of the West are growing so rapidly that the growth threatens to undermine the health of the lands and the quality of life that people value so highly.** The University of Colorado Center of the American West projects 40 million new residents in the West by 2040, a 65 percent increase. Five of the six fastest growing states in the U.S. are in the Intermountain West (Arizona, Nevada, Colorado, Utah and Idaho). For local officials and public-land managers alike this rapid growth creates daunting new challenges, ranging from sprawling development that blocks wildlife corridors to scattered, hop-scotch development patterns that prevent effective fire management and strain the ability of both urban and rural counties to provide basic public services; from negative social impacts that accompany energy development to escalating housing prices that working people can no longer afford; from groundwater pumping and water diversions that dry up precious rivers and riparian areas to the robust challenges of an oversubscribed Colorado River.

### **Summary: From Extraction to Attraction**

Western public lands have evolved from primarily being valued for the wealth that can be extracted from them and for their attractiveness to visitors, to their increasingly recognized value for the ecosystem services they provide (e.g. fish and wildlife habitat, water retention and storage) and for the contribution they make to creating a diverse, prosperous “knowledge economy.” Increasingly, Western decision-makers realize that one of the West’s most important competitive advantages in an increasingly global economy is the opportunity to live and work in a prosperous city or town surrounded by public lands.

Extractive uses continue, and play an important role in some regions; however, their contribution is diminishing as the economy of the West continues to diversify and grow. As the West’s competitive advantage in a global economy, public lands are valuable for the fish and wildlife they protect, for the sustainable natural and economic assets they provide, and for the economic growth and diversity they bring to Western states and communities.

One of the core principles that must be considered in managing public lands is that the role they play has grown increasingly complex. In response, Western communities and land managers are experimenting with new approaches and partnerships to protect our magnificent landscapes, while promoting sustainable, long-term prosperity. Good stewardship is essential to conserve the West’s character, quality of life, and natural and economic assets. Fortunately, economic forces are not conflicting with this pursuit; rather, the economy supports it.

With collaboration, partnerships and sound information, we can build a West that is “both prosperous and environmentally healthy,” with, as Wallace Stegner wrote, “a society to match its scenery.”