

The World's Largest Open Access Agricultural & Applied Economics Digital Library

# This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<a href="http://ageconsearch.umn.edu">http://ageconsearch.umn.edu</a>
<a href="mailto:aesearch@umn.edu">aesearch@umn.edu</a>

Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.

ESTIMATING REGIONAL INFORMATION SYSTEMS WITH APPLICATION TO COMMUNITY SERVICE PLANNING\*

Dean Schreiner and George Muncrief\*\*

Decision-making at the local and multi-county jurisdictional level has been described as programmatic in nature, involving the efficient and equitable distribution of public services and financing burdens [9]. Planning for the efficient provision of community services is one of the most important means available to local decision-makers for influencing growth and development. Local initiative and enthusiasm as expressed through providing adequate services at least cost is important in providing the climate conducive to business investment.

Regional information systems should be policy oriented and designed to facilitate decision-making [10]. Local planners frequently lack adequate information systems on which to base decisions. What information is available usually lacks an analytical construct which relates different segments of the local economies. Drawing upon constructs described in other sources [21, 10], an information system that interrelates area activity in business, households, and governments for a multi-county region in Oklahoma has been estimated and is reported here. Application of the information system to planning community services is given by means of estimating the regional requirements for solid waste disposal services. Other applications are suggested as determining rates of return to communities and regional planning authorities from subsidizing industry location. Finally, descriptions of the estimation procedures are dispersed throughout the paper with a final section on research staff personnel requirements in man-month units.

## Interdependence in a Regional Information System

Direct contributions of a manufacturing plant and its high-skilled labor force are welcome to tax revenue coffers of local jurisdictional governments. But the public service requirements and the local contributions to government revenues which are indirectly associated with plant location may tend to add a total net negative contribution to community well-being when measured against the "before plant location" community fiscal balance [8]. This emphasizes the

<sup>\*</sup>Oklahoma Agricultural Experiment Station Journal Article 2313.

<sup>\*\*</sup> Department of Agricultural Economics, Oklahoma State University.

importance of a total interdependence model.

The primary problem in using a total interdependence model is one of cost. Maki has estimated that a comprehensive one-county study may cost fifty thousand dollars or more while a single state-level study may cost five times as much [14]. Even leaving out the extra costs associated with publishing slick-covered multi-colored reports, a multi-area or state-level input-output study can easily exceed one million dollars in total cost.

A second problem is one of analytical complexity. The total interdependence model should be within the analytical ability of the local planners; or at least within the analytical ability of the multi-county economic planner. Of the eleven planning regions in Oklahoma, only one, which is also an Economic Development District, has the staff and the planner to operationalize an interdependence model of the traditional input-output type.

Related to this problem Leven [13], Tiebout [24], and Perloff and Leven [21] have devised and illustrated a method "from-to analysis," for extending the economic base concept to include intermediate markets and, hence, interindustry flows. An area economy is divided into industry groups by aggregating similar firms which describe structural features of the local economy. Market demand sources are delineated; first, by broad market categories of export and local. Additional detail delineates types of local and export markets.

Important features of the from-to analysis are its conceptual simplicity and its ease in obtaining primary data for its estimation. Business firms, especially in rural areas, are very cognizant of who their customers are. Estimates of the distribution of their gross receipts by market source appear to be easily ascertained. The question to be asked is merely one of 'who are your customers and what per cent of your total gross receipts does each account for." When weighted by gross sales (or other variables such as employment or value added), individual firm distributions may be summed to arrive at an industry distribution.

Conceptually, the local planner only needs to realize that as the demand by market source changes, those firms and industry categories serving these markets will be affected. Some markets (i.e., exports and Federal government) change because they are influenced by exogenous factors. Other markets may be assumed endogenously determined. Interbusiness transactions are assumed proportional to sector output. Consumption and local government market source demand may be assumed proportional to total level of area activity. All of

Perloff and Leven [21] in their system of integrated regional accounts contains an interindustry matrix. Hirsch, in his recent publication on selecting regional information for government planning and decision-making, has included an information account on interindustry sales and purchases [10, p. 72].

<sup>2&</sup>lt;sub>For a comparison of input-output and from-to analysis, see Leven [13].</sub>

the above concepts can be explained to local planners verbally, by flow diagrams, or equationally.

Kalter [11] has used mail questionnaires to further expedite data collection for a from-to analysis. His questionnaire is similar to one suggested by Tiebout [24] and used in both personal and mail questionnaire interviews.

# Estimating Area Economic Interaction as Part of a Regional Information System (RIS) for South Central Oklahoma

The study area covers eight counties in South Central Oklahoma, designated as Planning Region Nine in a state delineation scheme. It is also geographically synonymous with the Economic Development District called Association of South Central Oklahoma Governments (ASCOG). Table 1 includes characteristics of the population for the years 1960 and 1970 and employment characteristics for 1970. Overall area structure has been influenced by five major industries: agriculture, mining of crude petroleum, military operations at Fort Sill, large oil field equipment manufacturing, and horse trailer and mobile home manufacturing. Agriculture and mining have followed state and national trends in providing decreasing employment opportunities. Civilian employment at Fort Sill increased considerably over the past decade [20]. However, it appears that for the region Federal civilian employment is on the decline. Manufacturing shows the greatest growth potential of any of the basic sectors. National and international demand for oil field equipment will influence the number of job opportunities in this sector for the planning region. Chickasha in Grady County is known as the horse trailer capital of the world and, together with mobile home plants in other parts of the planning region, a skilled labor force is being developed for this type of manufacturing.

#### Interbusiness and Final Market Source Employment Transaction Flows

The questionnaire was designed in a manner to distribute individual business firm gross receipts on a percentage basis to thirty-three other businesses and seventeen final market sources. Employment control totals were estimated using various sources including Oklahoma Employment Security Commission [19], U. S. Censuses, and County Business Patterns. Various allocators were devised to distribute employment to those sectors covered up for disclosure purposes in the official statistics. County control totals for self-employed persons have been allocated to sectors based on state ratios of number of proprietors and partners in partnerships available in the Statistics of Income [28]. Employment in all cases has been classified on a job location basis. Corrections for in-commuters and out-commuters in final market distributions to consumption, government, and investment have not been made.

Individual firm distributions were weighted by annual average employment levels and summed for counties. County distributions were weighted by control totals to arrive at planning region totals. Table 2 contains the employment transaction flows for the following aggregations: interbusiness; consumption; public and private investment; state and local government; Federal government;

Employment and Population Characteristics of Planning Region Nine, South Central Oklahoma TABLE 1:

					Average Monthly Employment, 1970 <sup>b</sup>	ly Employme	nt, 1970 <sup>b</sup>		
County	Population <sup>a</sup> 1970 196	ution <sup>a</sup> 1960	Total Civilian Labor Force	Agriculture	Domestic Serv. Self Employed Unpaid Family Workers	9	Wage and Salary ivate Government	Average Monthly Unemployment Number Rate	onthly ment Rate
Total	243,346	230,621	72,800	11,370	8,399	34,926	14,493	3,612	4.9
Caddo	28,931	28,621	8,260	2,340	630	3,370	1,450	470	5.7
Comanche	108,144	90,803	26,500	975	3,025	12,775	8,300	1,425	4.5
Cotton	6,832	8,031	2,750 <sup>c</sup>	975	297	1,018	328	132	4.8
Grady	29,354	29,590	9,750	2,050	006	049,4	1,690	470	4.8
Jefferson	7,125	8,192	2,220	069	320	160	330	120	5.4
McClain	14,157	12,740	3,540	1,020	044	1,350	550	180	5.1
Stephens	35,902	37,990	13,970 <sup>c</sup>	1,480	1,977	8,893	1,155	465	3.3
Tillman	12,901	14,654	5,810	1,840	810	2,120	069	350	6.0

<sup>a</sup>United States Department of Commerce, Bureau of the Census, <u>Census of Populaton,</u> 1970 Preliminary. <sup>b</sup>Oklahoma Employment Security Commission, Research and Planning Division.

<sup>&</sup>lt;sup>C</sup>Average of four months for Stephens and Cotton Counties.

Employment Transaction Flows by Aggregated Sectors for Oklahoma Planning Region Nine, 1970 TABLE 2.

	Sector	Inter- business	Consump- tion	State Local Gov't.	Federal <sup>b</sup> Gov't.	Public and Private Investment	Exports	Total
Ξ	Farms & Ranches	3,810	632	-3*	519	;	904.9	11,371
(2)	Agricultural Services <sup>a</sup>	523	224	7	79	34	366	1,228
<u>B</u>	Mining	1,316	13	છ	9	12	939	2,292
<b>(</b> ±	Contract Construction	296	559	42	13	625	1,054	2,589
(2)	Transp. & Storage	365	174	14	226	!	393	1,772
9	Finance, Ins. 8		,					
	Real Estate	910	1,417	120	343	Ξ	393	3,194
$\widehat{\mathbb{C}}$	Communication & Util.	479	645	22	370	1 1	13	1,557
<u>@</u>	Food Processing	467	61	38	22	:	308	931
<u>6</u>	Textile & Apparel Mfg.	259	1	!	4	1	1,328	1,591
<u>6</u>	Wood & Paper Products	41	-17	i !	!!	;	182	227
<u>=</u>	Printing & Publishing	318	49	22	09	91	37	517
12)	Petroleum Refining	175	2	4	34	1 1	944	499
13)	Rubber, Plastic & Leather		:	! !	:	1 1	71	82
(+	Concrete Products	265	46	24	23	1	99	472
15)	Metal & Machinery Mfg.	322	თ	9		78	3,521	3,937
9	Building Material	132	322	91	36	13	10	558
1	General Merchandise	75	1,255	65	289	77	38	1,746
<u>@</u>	Food Stores	33	1,449	91	26	1	38	1,592
<u>6</u>	Gas Service Stations	225	445	37	19	1 1	73	799
20)	Automobile Dealers	148	799	36	245	55	20	1,333
<u>2</u>	Clothing Stores	80	713	_	:	1	45	268
22)	Furniture Stores		383	<b>-</b> ‡	146	9	17	267
23)	Eating & Drinking Estab		1,665	1	665	-	268	2,620
24)	Miscellaneous Retail	114	880	43		34	29	1,219
25)	Lodging	98	64	7	24	!	361	527
56)	Personal Services	138	895	7	735	!	33	1,786
(27)	Business Services	931	118	∞	34	1 1	157	1,248
(28)	Professional Services	313	1,490	15	73	15	159	2,065
(3)	Auto Repair Services	158	171	- 15	105	-	0	459
(30)	Recreation	∞ .	229	_	%	:	en.	337
(3)	Miscellaneous Repair Serv	erv. 38	205	2	_		38	285
(35)	Medical Services	و 1	2,104	20	30	!	148	2,342
(33)	Wholesale Trade	1,412	103	9/	82	141	211	2,028
	Total	13,999	17,175	761	4,456	1,065	17,247	54,703

<sup>&</sup>lt;sup>a</sup>includes farm equipment dealers, farm product materials, and farm and garden supply stores.

<sup>&</sup>lt;sup>b</sup>Includes off-base consumption of military personnel.

and exports. Interbusiness transfers accounted for approximately twenty-five per cent of total private employment flows, not indicating a highly developed interdependent business matrix. Major export sectors of agriculture, mining, and metal and machinery manufacturing confirm the earlier significance placed on these sectors for the region. Importance of recent developments in the textile and apparel manufacturing sector is noted by the employment flow to exports.

Short-run direct and indirect production employment multipliers for the thirty-three endogenous sectors are given in Table 3. The largest employment multipliers are in the processing sectors of food products (sector eight) and petroleum refining (sector twelve).4

Interaction in the Oklahoma study and in most small regional studies does not occur as much through interbusiness transactions as through households and area business relationships. Consumption employment flows accounted for over 31 per cent of total private regional employment. In the short-run, consumption and local government employment flows may be considered endogenously determined. In the long-run, it may also be expected that investment flows reflect changes in levels of area activity. Exports and Federal government final market sources then remain as the only primary movers of the economy under these assumptions. Additional market sector multipliers can be constructed where the above assumptions have been made [24, 11, 22].

#### Inter-County and Extra-Regional Employment Transaction Flows

Few studies have tried to quantify interregional dependence, specifically for purposes of community service planning. Firms in South Central Oklahoma, in addition to being asked who their customers were (sector distribution), were also asked where their customers came from (intercounty business patterns). In order to construct a complete interregional from-to table for Planning Region Nine, it is necessary to assume that the distribution of the types of customers a business firm has is the same whether his sales are within his own county or in other counties of the planning region.

<sup>&</sup>lt;sup>3</sup>By contrast, Kalter's New York study showed interbusiness employment transactions of about twenty-eight per cent of essentially total covered employment [11]. The New York study included a population base approximately three times as large as the Oklahoma region.

<sup>&</sup>lt;sup>4</sup>No adjustments have been made for excess capacities found in rural economies, both in primary material production and in service sectors [22]. For projection purposes simulation may be used to adjust for excess capacity, changing labor productivities, and enterprise substitutions [3, 15].

<sup>&</sup>lt;sup>5</sup>Kalter [11] estimated intercounty distributions of gross receipts by business firms. He did not formally relate county business patterns by an interdependent model nor did he apply to community service planning.

TABLE 3. Short-run Direct and Indirect Production Employment Multipliers for Oklahoma Planning Region Nine, 1970

Sector	Short-run Production Multiplier	Sector	Short-run Production Multiplier	Sector	Short-run Production Multiplier
(1)	1.488	(12)	3.170	(22)	1 100
(1)	1.400	(12)	3.170	(23)	1.196
(2)	1.723	(13)	1.234	(24)	1.154
(3)	1.752	(14)	1.074	(25)	1.415
(4)	1.333	(15)	1.076	(26)	1.067
(5)	1.112	(16)	1.379	(27)	1.100
(6)	1.190	(17)	1.159	(28)	1.046
(7)	1.149	(18)	1.956	(29)	1.304
(8)	3.077	(19)	1.978	(30)	1.207
(9)	1.108	(20)	1.333	(31)	1.301
(10)	1.062	(21)	1.122	(32)	1.164
(11)	1.084	(22)	1.774	(33)	1.000

Table 4 gives the intercounty employment transaction flow data for Planning Region Nine and county distribution to final market source. Consumption employment flow data have been adjusted to exclude off-base consumption by military personnel. The latter consumption flows have been allocated to the Federal government market source. This will more realistically permit assuming private consumption to be determined endogenously as a function of the level of regional activity. It should be noted that employment flows in Table 4 to final market sources of private consumption, state and local government, and public and private investment are regionally defined. Each market source represents an eight by eight matrix with the row county delivering to itself and each of the other seven counties in proportions indicated through the county business pattern response of the aggregated individual firms. For convenience the matrices have been collapsed into regional sectors.

Table 5 assumes Federal government purchases, exports, and direct government employment as the only long-run exogenous market sources with private consumption, state and local government expenditures, and public and private investment endogenously determined. Employment transaction flows in Table 5 can take on a special meaning. For instance in Caddo County in order to have a total private and public employment of 7.790 it requires 2.801 jobs within the county to service interbusiness transfers, consumption, state and local government expenditures, and public and private investment needs. In addition it requires 224 jobs in Grady, 23 in McClain, 172 in Comanche, and 42 in Stephens to service the same needs. Out of the total 7,790 jobs in Caddo, 2,830 deliver directly to the final market sources of Federal government purchases and regional exports. Table 6 assumes proportional amounts of employment requirements in order to have county total employment. That is, each column entry in Table 5 was divided by total employment for that county and recorded in Table 6. Hence, for Caddo County, out of each job a proportion equal to 0.35956 served nonbasic requirements within the county. The intercounty ratio between Grady and Caddo of 0.02876 means that for each person employed in Caddo County it requires three-hundredths of a person in Grady County to directly service his needs. Other coefficients have similar meanings.

Direct, indirect, and induced county and intercounty requirements for deliveries to Federal government purchases, regional exports, and direct government employment are contained in Table 7. Interpretation of these interdependence coefficients means that for a change in basic employment of a county, a multiple of employment requirements is needed from within the county and from other counties according to the corresponding column of coefficients in Table 7. As an example, if basic employment changes by 100 jobs in Caddo County, an additional 57 jobs are created in the same county, 8 jobs in Grady, 6 in Comanche, 2 in Stephens plus smaller additions in the remaining counties. The total number of jobs created in Planning Region Nine including the original 100 jobs in Caddo is 174 which is the sum of the column of interdependence coefficients times 100.

Table 8 presents four sets of county and intercounty employment multipliers for comparative purposes. Each set assumes an additional induced or endogenously determined market source. The level of the additional induced market may be determined from Table 4.

TABLE 4: Intercounty and Final Market Source Distribution of Employment Transactions, Oklahoma Planning Region Nine, 1970

		Inter	county Ir	nterbusine	Intercounty Interbusiness Employment Transaction Flows	ent Transa	action Fl	ows	•	Final Mark	et Source,	Final Market Source, Planning Region Nine	e]	
County	Caddo	Grady	McClain	Comanche	Caddo Grady McClain Comanche Stephens		Cotton	Tillman Cotton Jefferson	Private <sup>a</sup> Consumption	State and Local Gov't.	Public and Private Invest.	Regional Exports and Federal Gov't. Purchases	Direct Gov't. Employment	Total
Caddo	1,549	126	34	118	32	24	32	26	1,473	17	25	2,830	1,450	7,790
Grady	93	93 1,738	31	35	35	-	9	2	2,419	167	153	2,911	1,690	9,280
McClain	∞	10	287	-	-	-	;	!	1,101	25	23	1,053	550	3,360
Comanche	76	35	-	4,284	80	33	15	16	5,166	292	295	9446	8,300	25,075
Stephens	91	43	27	108	2,468	∞	84	8	4,022	101	483	4,943	1,155	13,505
Tillman	;	1 1 1	! ! !	Ξ	-	1,061	94	ത	1,646	45	73	1,879	069	5,460
Cotton	;	2	!	17	33	თ	544	12	526	22	∞	1,118	328	2,618
Jefferson	!	}	į	-	61	1 1 1	σ	064	287	39	80	678	330	2,100

144

<sup>a</sup>Excludes off-base consumption by military personnel.  $^{\mathrm{b}}$  Includes what is excluded by footnote a.

Intercounty Distribution of Employment Transactions Assuming Endogenous Consumption, State and Local Government, Public and Private Investment; Oklahoma Planning Region Nine, 1970 TABLE 5:

<b>v</b> 1	es Total	7,790	9,280	3,360	25,075	13,505	2,460	3,618	2,100
Final Market Source	Direct Govt. Purchases	1,450	1,690	550	8,300	1,155	069	328	330
Final Ma	Regional Exports & Fed. Govt. Purchases	2,830	2,911	1,053	944,9	4,943	1,879	1,118	678
bı d	Caddo Grady McClain Comanche Stephens Tillman Cotton Jefferson	74	ιv	;	36	214	23	23	1,024
rbusines ublic ar	Cotton	58	14	ì	115	127	118	1,034	21
ows (Intent, and P	Tillman	43	1	;	74	21	2,720	17	1
Intercounty Employment Transaction Flows (Interbusiness, Consumption, State and Local Government, and Public and Private Investment)	Stephens	58	84	m	181	6,529	6	63	45
	Comanche	213	84	m	9,670	286	28	32	7
	McClain	61	75	1,698	7	11	1	;	3
	Grady	228	4,192	29	79	114	1	4	1
<u>-</u> ŏ	Caddo	2,801	224	23	172	42	1	;	1
	County	Caddo	Grady	McClain	Comanche	Stephens	Tillman	Cotton	Jefferson

Direct County and Intercounty Employment Requirements Per Job Assuming Endogenous Consumption, State and Local Government Purchases, and Public and Private Investment, Oklahoma Planning Region Nine, 1970 TABLE 6:

				Direct Employ	Direct Employment Coefficients	ents		
•	Caddo	Grady	McClain	Comanche	Stephens	Tillman	Cotton	Jeffer <b>s</b> on
	.35956	.02457	.01816	.00850	.00430	.00788	.02215	.02238
	.02876	.45172	.02232	.00335	.00622	ij	.00535	.00238
	.00295	.00312	.50536	.00012	.00022	:	į	1
	.02208	.00851	09000.	.38564	.01340	.01355	.04393	41/10.
	.00539	.01228	.02113	.01141	.48345	.00385	.04851	.10191
	i i	!	;	.00112	.00022	71864.	.04507	.01095
	1	.00043	i i	.00128	99400.	.00311	.39496	.01095
	i	1	i	80000.	.00333	ł	.00802	.48762
ı								

Direct, Indirect, and Induced County and Intercounty Requirements for Deliveries to Final Market Sources, Oklahoma Planning Region Nine, 1970 TABLE 7:

	Jefferson	0.07449	0.01768	0.00075	0.06983	0.39241	0.04648	0.03881	1.95484	2.59529
	Cotton	0.06375	0.02230	0.00063	0.12865	0.16599	0.14965	1.65560	0.02702	2.21359
ents	Tillman	0.02570	0.00194	0.00018	0.04607	0.01722	1.99376	0.01050	0.00028	2.09565
Interdependence Coefficients	Stephens	0.01556	0.02337	0.00112	0.04475	1.94168	0.00262	0.01533	0.01287	2.05729
Interdepende	Comanche	0.02253	0.01162	0.00062	1.62987	0.03702	0.00399	0.00376	0.00055	1.70997
	McClain	0.06138	0.08659	2.02261	0.00731	0.08579	0.00013	0.00075	0.00057	2.26513
	Grady	0.07126	1.82884	0.01201	0.02905	0.04560	0.00025	0.00172	0.00033	1.98905
	Caddo	1.56583	0.08311	0.00990	0.05791	0.02007	0.00017	0.00034	0.00014	1.73746
	County	Caddo	Grady	McClain	Comanche	Stephens	Tillman	Cotton	Jefferson	Total

County and Intercounty Employment Multipliers for Deliveries to Final Market Source, Oklahoma Planning Region Nine, 1970 TABLE 8:

Employment Multipliers with Induced (1) Consumption, (2) State and Local Government Expenditures, and (3) Public and Private Investment	1.737	1.989	2.265	1.710	2.057	2.096	2.214	2.595
Employment Multipliers with Induced (1) Consumption, and (2) State and Local Government Expenditures	1.720	1.928	2.219	1.674	1.934	2.041	2.167	2.519
Employment Multipliers with Induced Consumption	1.692	1.869	2.179	1.635	1.905	2.006	2.121	2.417
Direct & Indirect County & Intercounty Employment Multipliers	1.287	1.267	1,254	1.224	1.247	1.262	1.379	1.368
County	Caddo	Grady	McClain	Comanche	Stephens	Tillman	Cotton	Jefferson

Intercounty dependence and subsidized industry. Intercounty dependence coefficients are a significant quantitative tool that further relates production, consumption, and government activities within a planning region. As an example, the effects of an additional one-hundred jobs in the export base of Jefferson County have been traced in Figure 1 (dashed lines). An additional ninety-five jobs were created within the county from the added one-hundred export base jobs. Using local income or employment multipliers Moes [18] has determined the annual rate of return a community may expect from subsidizing firm location. The annual rate of return for Jefferson County would be limited by the size of the local multiplier which is 1.95. However, the annual rate of return for Planning Region Nine would be somewhat larger since the direct and indirect county and intercounty multiplier is greater by the amount 0.64. This would mean that the regional planning authority could beneficially subsidize Jefferson County in attracting industry.

Central place theory and intercounty dependence. Economic geographers have long discussed the availability of essentially private services using central place theory. Under this theory, cities are ordered according to the number of services or goods that they provide. Places of higher order offer more goods, have more establishments and business types, larger populations, tributary areas and tributary populations, do greater volumes of business, and are more widely spaced than lower order places [1]. Centers of each higher order group perform all the functions of lower order centers plus a group of central functions that differentiates them from and sets them above the lower order. Berry and Pred [1] give as businessmen's motives for a hierarchical order of places, the differences in conditions of entry and available economies of scale, with implications for required number of customers. For rural areas, the lowest order of central place may be identified as a village and of size proportional to the rural population within its trade area. Successively higher orders offer more services and have larger markets; the two being mutually interdependent.

Central place theory, however, has been more concerned with identification of the minimum thresholds of various hierarchical orders than with quantifying the extent of the interdependencies of hinterlands, villages, cities and other orders. 7 Interregional from to analysis permits to some degree, the quanti-

 $<sup>^6</sup>$ Appreciation is expressed to Luther Tweeten and A. L. Hutson for suggesting this application.

<sup>&</sup>lt;sup>7</sup>This has led to difficulties in making central place theory dynamic. As an example Marshall [17, pp. 172-173] in the summary and conclusion of a recent Canadian publication has indicated that one of the two main directions static central place theory needs to take is that of introducing the time dimension. "What is required is not merely the reconstruction of central place networks as they existed in the past, but comparative cross-sectional studies of the same area at several different points in time. Coupled with existing central place theory, which is by nature static, such studies should lead to a deeper understanding of the evolution of central place patterns, and perhaps ultimately to the formulation of a much needed dynamic central place theory."

fication of these interdependencies. Again using the data in Table 7, the total dependence of each county on Comanche County, and presumably the regional trade center of Lawton, is shown in Figure 1 (solid lines) on the basis of 100 additional jobs in the export base of the corresponding county. As an example, for each one-hundred jobs producing for the export sector in Caddo County, six jobs are required directly and indirectly in Comanche County servicing regional firms, households and local governments. Part of this employment is due to services or functions that are not available in lower order centers in Caddo County itself. Identification of lower central place orders may be hypothesized when viewing the employment requirements for Jefferson County (see Figure 1). This is the only county in the planning region without a center of at least 2,500 population. It may be considered a primary production region (agriculture) with Duncan and Lawton serving as its trade centers. Duncan is the primary trade center since it is the closest town over 10,000, but significant direct trade also occurs with Lawton, a higher order central place.

Intercounty flows, even for such a small rural region as Planning Region Nine, are not limited only to unilateral trade in the direction of larger centers. Centers specializing in certain production or distribution functions serve the whole region whether the trading partner is of a higher or lower order central place. However, a major part of intercounty flows occur as trade between primary resource regions and trade centers. It may be hypothesized that trade coefficients based on the conditions of central place theory are more stable than the more traditional interregional trade coefficients assumed in input-output analysis.

### Using RIS to Plan Solid Waste Disposal Services

The 1965 Solid Waste Disposal Act of Congress authorizes research and technical assistance to state and local governments [2, forward]. The Oklahoma Solid Waste Management Act of 1970 provides enabling legislation for municipal and county solid waste management systems and makes illegal dumping a misdemeanor. The 1968 Clean Air Act administered by the Oklahoma State Health Department regulates use of the atmosphere for waste disposal. One state regulation prohibits open burning in Air Quality Control regions and in all other urban areas of more than 10,000 population.

Professional planners have prepared materials concerning disposal of solid wastes in municipalities [4, 12]. The Duncan City Planners recommended two or more cities study the feasibility of sharing a common facility, and the Association of South Central Oklahoma Governments (ASCOG) supports a sevencounty waste disposal system. The above accounts indicate a need for comprehensive planning of waste management systems. A discussion of demand for solid waste disposal, data for development of solid waste multipliers and application to comprehensive planning of area wide solid waste disposal services is a relevant application of RIS to regional problems.

The present discussion centers only on the estimation of needs for solid waste disposal services and applied to Oklahoma Planning Region Nine. Vari-

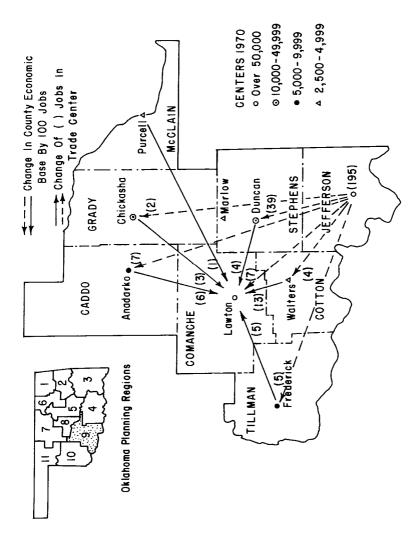


FIGURE 1. INTERCOUNTY EMPLOYMENT DEPENDENCE FROM A CHANCE IN EXPORT BASE EMPLOYMENT

ations in the needs for solid waste disposal services are conducive to estimation through coefficients of industry, household and institution generation of waste material. Using data from [2, 26] and adjusting for industry mix and other characteristics unique to Planning Region Nine, a set of solid waste coefficients have been estimated and are given in Table 9, column three. As an example, Oklahoma RIS Sector eight (food processing) generates 9.48 thousands of pounds a year per employee (kpye) of solid waste material for disposal. Residential solid waste material has been estimated on a basis of average waste material per employee of the resident work force. No waste coefficients were estimated for agriculture and mining since the type of disposal service required for these sectors is sufficiently different from the other sectors to warrant separate study. An estimated total of 787,063 thousand pounds of solid waste material was generated in Planning Region Nine for disposal in 1970.

For planning future waste disposal requirements a set of direct and indirect solid waste coefficients were computed. Direct and indirect interdependence employment coefficients from the from-to analysis were multiplied by the solid waste coefficients to arrive at the total disposal coefficients in the last column of Table 9. As an example of the interpretation of the total (direct and indirect) solid waste coefficients, Oklahoma RIS Sector eight shows that for each man year of employment used in deliveries to final demand a total of 14.672 thousand pounds of solid waste is generated in the producing sectors of the region and must be disposed. Residential waste generated may also be estimated by multiplying the employment multiplier for sector eight by the household solid waste coefficient. Hence, for each man year employed in food processing for delivery to final demand markets. a total of approximately 10.5 tons of solid waste is generated for disposal. By relating solid waste coefficients to direct and indirect employment requirements, specific industry and location factors for solid waste generation are identified for the planning region.

#### The Oklahoma Experience in Estimating RIS

A primary objective in selecting the appropriate methods for estimating RIS was that of keeping costs within budget constraints of multi-county planning groups. The development of RIS for Planning Region Nine has extended only through the estimation of the interdependent, intercounty economic base. It may, however, serve a purpose to estimate the quantity and type of research staff resources used to date in the estimating procedures. Adding additional information segments to RIS will depend on the type of problems requiring attention in the planning region.

Various information sources were used in compiling the population of business firms in the planning region including yellow pages of telephone directories, the Oklahoma Directory of Manufacturers and various other registers. Sampling rules were used to determine sample size for mail-out questionnaires

TABLE 9: Estimation of the Total Demand for Solid Waste Disposal and Related Information, Oklahoma Planning Region Nine, 1970

Okla. RIS Code	SIC Code	Solid Waste <sup>a</sup> Coefficient Kpye	Employment 1970	Waste in Thousands of Pounds per Year	Direct and Indirect Solid Waste Disposal Coefficients in Kpye
(1) (2) (3) (4) (5) (6) (7) (8) (10) (11) (12) (13) (14) (15) (16) (17) (18) (19) (20) (21) (22) (22) (24) (25) (26) (27) (28) (29) (30) (31) (32) (33)	01, 08, 09 07, 505, 596 10-14 15-17 40-47 60-67 48-49 20-21 22-23 24-26 27 28-29 30-31 32 33-39 52 except 5252 53 54 55541 55 except 5541 56 57 78, 79, 84 76 80 50 except 505 Governmentc Households Off base Militaryd Total	7.620 7.620 7.620 7.620 7.620 7.620 9.479 1.348 26.459 16.500 19.394b 15.006 5.280 2.937 7.620	11370 1228 2280 2589 1772 3194 1557 931 1591 227 517 664 82 471 3936 558 1747 1592 800 1333 767 567 2620 1218 527 1786 1248 2064 461 338 286 2342 2032 10849 69188 9100	9357 9357 213603 13503 24338 11864 8825 2145 6006 8531 12878 1230 2487 11560 4252 13312 56834 6096 10157 5845 4321 19964 9281 4016 13609 9510 15728 3513 2576 2179 17846 15484 826669 144534 19010 787063	1.771 12.848 2.604 89.651 8.487 8.921 9.941 14.672 2.149 26.992 17.148 26.098 16.772 5.864 3.625 11.837 9.373 42.172 15.703 10.291 8.934 11.5559 9.249 9.084 11.240 8.277 8.462 8.277 8.462 8.126 10.197 9.486 10.149 9.368 7.620

<sup>&</sup>lt;sup>a</sup>Data adapted from [2] and [26].

bRefining wastes excluded.

CExcludes Federal Civilian employees the labor force. at Fort Sill.

 $<sup>^{\</sup>mathrm{d}}\mathrm{Military}$  personnel with off base residence.

 $<sup>^{\</sup>rm e}{\mbox{\sc Average residential}}$  waste per employee of the labor force.

assuming response rates by sector from the New York study [11]. $^{8}$ 

Table 10 attempts to recall estimates of man months spent on constructing the interbusiness type economic base model for Planning Region Nine. In one respect it is a liberal estimate since considerable wheel-spinning took place as a first attempt by the present research staff. Familiarity with the technique and procedures should reduce the allotted time for repeated studies.

#### Summary and Conclusions

Before planning of community services can be brought about, information systems need to be estimated which relate the changing economic base to jobs, population, and community service requirements not only in the framework of regional industry sectors, but also in intraregional locations.

Part of the problem in establishing appropriate information systems for rural regions is one of cost. Most metropolitan areas have planning staffs available to perform economic base studies and some have elaborate information systems including industry interdependence models. Most rural planning regions in Oklahoma have neither the planning staff nor the budget to estimate and maintain information systems with interdependence models of the traditional input-output type. The present study uses mail questionnaire and personal interview data to estimate a from-to interdependence model. The model is then related to planning of solid waste disposal services for an eight county planning region in South Central Oklahoma.

The information system thus far developed for Planning Region Nine in Oklahoma should still be considered a research tool at this time. Considerable interchange needs to take place with planning groups to determine feasibility of implementation. But, at least it is a start in designing research techniques with application to direct problem solving in regional planning.

<sup>&</sup>lt;sup>8</sup>Francis McCamely developed the sampling rules. A research bulletin is in process which presents estimates of variances of multipliers derived from sample data.

TABLE 10: Estimates of Man Months Required to Construct a Regional Interbusiness Economic Base Model<sup>a</sup>

Job	Staff	Time Estimate (months)
Compilation of population	Research Staff <sup>b</sup>	1.0
Keypunch population	Clerical	3.0
SIC coding, programming, and sample selections	Research Staff	2.0
Community contacts	Research Staff	1.0
Mail out	Clerical	0.5
Personal interviews	Research Staff: Graduate Assistants	5.0
Editing questionnaires	Research Staff: Graduate Assistants	3.0
Tabulation and aggregation	Clerical	2.5
Total		18.0

<sup>&</sup>lt;sup>a</sup>Does not include research staff time for analysis and presentation of results.

bResearch staff includes personnel from the Agricultural Experiment Station, Cooperative Extension and Graduate Students.

#### REFERENCES

- Berry, B. J. L. and A. Pred. <u>Central Place Studies</u>: <u>A Bibliography of Theory and Applications</u>. Philadelphia: Regional Science Research Institute Bibliography Series, 1961.
- Combustion Engineering, Inc.
   <u>Disposal Needs and Practices</u>.
   <del>Washington: Bureau of Solid Waste Management, U. S. Public Health Service Publication Number 1886, 1969.</del>
- Doeksen, G. A. and D. F. Schreiner. A Simulation Model for Oklahoma with <u>Economic Projections from 1963 to 1980</u>. Stillwater: Oklahoma Agricultural <u>Experiment Station Bulletin B-693</u>, 1971.
- 4. Duncan City Planning Department. A Study of Solid Waste Disposal and Site Location for the City of Duncan, Oklahoma. Duncan: 1970.
- Emerson, M. J. <u>The Interindustry Structure of the Kansas Economy</u>. Manhattan: Office of Economic Analysis and Kansas Department of Economic Development, Planning Division Report Number 21, 1969.
- 6. Fox, K. A. and T. K. Kumar. "Delineating Functional Economic Areas," in Research and Education for Regional and Area Development. Ames: Iowa State University Center for Agricultural and Economic Development, 1966.
- 7. Friedmann, J. and J. Miller. "The Urban Field," <u>Journal of the American Institute of Planners</u>, 31 (1965), 312-319.
- 8. Hirsch, W. Z. "Fiscal Impact of Industrialization on Local Schools," Review of Economics and Statistics, 46 (1962), 191-199.
- Hirsch, W. Z. Regional Information Design for Public Decisions. Los Angeles: University of California Institute of Government and Public Affairs Reprint Number 61, 1970.
- Hirsch, W. Z. and S. Sonenblum. <u>Selecting Regional Information for Government Planning and Decision-Making</u>. New York: Praeger, 1970.
- Kalter, R. J. An Interindustry Analysis of the Central New York Region. Ithaca: New York Agricultural Experiment Station Bulletin 1025, 1969.
- Lawton Metropolitan Area Planning Commission. <u>Solid Wastes Collection and Disposal Plan</u>. Lawton: 1969.
- Leven, C. L. "Regional Income and Product Accounts: Construction and Applications," in Werner Hochwald (ed.) <u>Design of Regional Accounts</u>, Baltimore: Johns Hopkins Press, 1961.

- Maki, W. R. "Small Area Applications of Input-Output." University of Minnesota, Department of Agricultural Economics, Staff Paper P70-22, 1970.
- 15. Maki, W. R., R. E. Suttor, and J. R. Barnard. Simulation of Regional Product and Income with Emphasis on Iowa, 1954-1974. Ames: Iowa Agricultural Experiment Station, Research Bulletin 548, 1966.
- 16. Margolis, J. "The Demand for Urban Public Services," in S. Perloff and Wingo, Jr. (eds.) <u>Issues in Urban Economics</u>. Baltimore: Johns Hopkins Press, 1968.
- 17. Marshall, J. U. Location of Service Towns: An Approach to the Analysis of Central Place Systems. Toronto: University of Toronto Press, 1969.
- Moes, J. E. <u>Local Subsidies for Industry</u>. Chapel Hill: University of North Carolina Press, 1962.
- 19. Oklahoma Employment Security Commission. Handbook of Oklahoma Employment Statistics. Oklahoma City: 1971.
- 20. Oklahoma Employment Security Commission. Manpower in Oklahoma: Southwest Central Region. Oklahoma City: 1968.
- Perloff, H. S. and C. L. Leven. "Toward an Integrated System of Regional Accounts: Stocks, Flows, and the Analysis of the Public Sector," in Werner Z. Hirsch (ed.) <u>Elements of Regional Accounts</u>. Baltimore: Johns Hopkins Press, 1964.
- Schreiner, D. F. "Farm Size and Organization and the Rural Community," in A. G. Ball and E. O. Heady (eds.) <u>The Size, Structure and Future of Farms</u>. Ames: Iowa State University Center for Agricultural and Economic Development, 1972.
- Sonenblum, S. and L. H. Stern. "The Use of Economic Projections in Planning," Journal of the American Institute of Planners. 30 (1964), 110-123.
- Tiebout, C. M. The Community Economic Base Study. New York: Committee for Economic Development Supplementary Paper Number 16, 1962.
- U. S. Advisory Commission on Intergovernmental Relations. <u>Performance of Urban Functions</u>: <u>Local and Areawide</u>. Washington: Commission Report M-21, 1963.
- 26. U. S. Department of Health, Education, and Welfare. <u>Comprehensive Studies of Solid Waste Management: First and Second Annual Reports. Washington: Bureau of Solid Waste Management, U. S. Public Health Service, Publication Number 2039, 1970.</u>

- U. S. Department of Health, Education and Welfare. Grant Programs Under the Solid Waste Disposal Act. Washington: Bureau of Solid Waste Management, 1969.
- 28. U. S. Internal Revenue Service. Statistics of Income-1967, Business Income Tax Returns. Washington: U. S. Government Printing Office, 1970.