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# A Dynamic Simulation Model for Analyzing the Importance of Forest Resources in Alaska 

## Wilbur R. Maki, Douglas Olson, and Con H Schallau

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A dynamic simulation model has been adapted for use in Alaska. It provides a flexible tool for examining the economic consequences of alternative forest resource management policies. The model could be adapted for use elsewhere if an interindustry transaction table is available or can be developed. To demonstrate the model's usefulness, the contribution of the pulp and paper and tourism industries to Alaska's economy is analyzed. A $\$ 105$ million increase in final demand for goods and services provided by the tourism industry would compensate for the loss of employment and earnings resulting from the closure of Alaska's two pulpmills. Most of the loss would be confined to higher paying technical jobs in two remote locations; the increase in jobs would involve lower paying jobs located throughout the State.

Keywords: Economic importance (forests), models, simulation, Alaska, management planning (forest).

The livelihood of many Alaska residents is dependent on forest resources. Employees of the forest products industry are obviously dependent, but to varying degrees, employees in commercial salmon fishing, tourism, and some mineralbased industries are also influenced by forest resource management policies.

Any plan involving changes in National Forest management policies should include an analysis of socio-economic impacts. For example, the Alaska National Interest Lands Conservation Act (ANILCA) requires that the USDA Forest Service prepare periodic assessments of management for the Tongass National Forest. These assessments must include an analysis of how timber management policies affect the employment, income, and population of southeast Alaskans.

[^0]> Analyzing Hypothetical Scenarios

## Scenario 1: Alaska's Pulpwood Industry

To perform the economic impact analyses, a dynamic simulation model (IPASS) was adapted for use in Alaska. This paper describes how it can be used to evaluate forest resource management situations in Alaska. ${ }^{1 /}$

IPASS can help to answer many of the questions facing policy analysts: Questions such as who would be affected by the closure of wood processing mills in Alaska? who would be affected by new investment in recreation and tourism facilities? and might the growth of the tourism industry counteract the decline in timber-based industries? The following discussion will show how IPASS can be used to analyze the economic significance of three resource-related scenarios.

The two pulpmills in southeast Alaska produce dissolving pulp. In 1977, production and export was roughly valued at $\$ 105$ million. But increasing world-wide competition, depressed markets, and the high cost of installing pollution abatement equipment threatens the operation of these mills.

In this scenario, we assume the worst case-a complete shutdown of both mills with a permanent loss of $\$ 105$ million in regional exports. Table 1 shows the impact of the mill shutdown on both employment and earnings, by year, in aggregated sectors of the economy. ${ }^{2 /}$ The effect on the pulp and paper industry is immediate and, also, is greater than for any other industry. The two other wood products sectors, however, are also adversely affected because they provide logs and mill residues to the pulpmills. For years 2 through 5 , the service industries show the indirect impacts of the loss of personal income, loss of population, and the overall reduction in economic activity caused by the mill closures.

Table 1 also shows how the various occupations were affected by the closure of the two pulpmills. Industrial technicians, who account for the largest proportion of the pulp and paper employees, experience the greatest and most lasting impact.

The pulpmills account for most of the basic jobs in the communities where they are located. Consequently, the mill closures would undoubtedly cause many individuals to move elsewhere-in the State or otherwise-because of the lack of reemployment opportunities. Pulpmill workers have traditionally received aboveaverage wages; consequently, former pulpmill employees choosing to remain somewhere in Alaska would undoubtedly have to be retrained or accept lower wages.

[^1]Table 1-Impact on the Alaska economy ${ }^{1}$ caused by closure of two pulpmills

|  | Year of simulation |  |  |  |  |
| :--- | :--- | :--- | :--- | :--- | :--- |
|  |  |  |  |  |  |
| Industry | 1 | 2 | 3 | 4 | 5 |

JOBS LOST OR GAINED, BY SECTOR

| Agriculture, forestry, and fisheries | -11 | -11 | -12 | -7 | -8 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Mining | -1 | -3 | -5 | -4 | -4 |
| Construction | -14 | -59 | -82 | -52 | -42 |
| Manufacturing: | -1,578 | -1,646 | -1,319 | -1,068 | -991 |
| Logging | -460 | -518 | -342 | -164 | -138 |
| Sawmills | -48 | -56 | -46 | -41 | -41 |
| Pulp and paper mills | -1,065 | -1,056 | -917 | -843 | -793 |
| Transportation, communications, and utilities | -91 | -136 | -156 | -136 | -123 |
| Trade | -30 | -153 | -315 | -331 | -417 |
| Finance, insurance, and real estate | -13 | -69 | -14 | -77 | -75 |
| Services | -21 | -102 | -172 | -156 | -187 |
| Government | $-18$ | -30 | -46 | -59 | -57 |
| Total | -1,778 | -2,208 | $-2,122$ | -1,891 | -1,905 |

EARNINGS LOST OR GAINED (THOUSAND DOLLARS)

| Agriculture, forestry, and fisheries | -241 | -263 | -223 | -105 | -138 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Mining | -33 | -112 | -170 | -155 | -130 |
| Construction | -501 | -2,156 | -3,000 | -1,900 | -1,526 |
| Manufacturing: | -36,879 | -38,440 | -30,764 | -24,900 | -23,079 |
| Logging | -10,753 | 12,111 | -7,981 | -3,826 | -3.222 |
| Sawmills | -1,025 | -1,179 | -965 | -868 | -867 |
| Pulp and paper mills | -25,012 | -24,817 | -21,537 | $-19,805$ | -18,646 |
| Transportation, communications, and utilities | -2,113 | -3,170 | -3,923 | -3,268 | -2,932 |
| Trade | -605 | -2,763 | -4,805 | -3,780 | -5,545 |
| Finance, insurance, and real estate | -196 | -1,052 | -205 | -1,172 | -1,129 |
| Services | -495 | -1,750 | -2,681 | -2,442 | -2,815 |
| Government | -244 | -440 | -654 | -862 | -848 |
| Total | -41,305 | $-50,147$ | $-46,426$ | $-38,584$ | $-38,143$ |

EMPLOYMENT, LOST OR GAINED BY OCCUPATION
Managers
Professional
Technical
Service
Industrial technicians
Clerical
Sales
Farm

| -78 | -125 | -128 | -122 | -130 |
| ---: | ---: | ---: | ---: | ---: |
| -91 | -121 | -130 | -121 | -125 |
| -18 | -28 | -42 | -39 | -42 |
| -81 | -117 | -173 | -177 | -195 |
| $-1,327$ | $-1,494$ | $-1,289$ | $-1,050$ | $-1,002$ |
| -164 | -269 | -279 | -298 | -314 |
| -17 | -54 | -77 | -81 | -95 |
| -1 | -1 | -3 | -3 | -3 |

1/The impact is derived by subtracting the baseline data (that is, simulation of historical data) from the impact scenario data. A minus sign indicates a loss of employment or earnings.

Scenario 2: Changes in Tourism

Scenario 3: Will growth in tourism offset a decline in pulp production?

In this scenario, we assume that promotion of Alaska tourism will increase the sale of goods and services produced in Alaska by $\$ 105$ million.3/ What impact will this have on employment and earnings? To answer this question we used $4 /$ national averages for tourism-related expenditures to derive estimates of tourism expenditures by industry. Table 2 shows that increased tourism would greatly stimulate employment and earnings in the service, trade, and transportation industries. All occupational categories would also grow.

Scenario 3 is a combination of scenarios 1 and 2 . This scenario examines the extent to which an increase in annual tourism expenditures of $\$ 105$ million compensates for a coincidental decrease of $\$ 105$ million in exports resulting from a closure of the two pulpmills.

Table 3 shows the impact of this scenario on employment, earnings, and employment by occupation. After the third year, an increase in tourism can more than compensate for the loss of total employment and earnings resulting from closure of the two pulpmills.

A $\$ 105$ million increase in demand for goods and services provided by the tourism industry would eventually compensate for the loss of two pulpmills in terms of total employment and earnings. The employees losing work as a result of the mill closures would not, however, necessarily be people employed in the tourism industry. An examination of the changes, industry by industry, indicates that there are "gainers" and there are "losers." The wood products industry loses a large number of its employees and earnings, but the service and trade sectors gain. Employment by occupation also varies; for example, the employment for industrial technicians declined while service employment increased (fig. 1).

[^2]Table 2—Impact on the Alaska economy ${ }^{1}$ of increased tourism expenditures

|  | Year of simulation |  |  |  |  |
| :--- | :--- | :--- | :--- | :--- | :--- |
| Industry | 1 | 2 | 3 | 4 | 5 |

JOBS LOST OR GAINED, BY SECTOR

| Agriculture, forestry, and fisheries | 3 | 22 | 23 | 28 | 25 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Mining | 0 | 23 | 25 | 26 | 24 |
| Construction | 3 | 213 | 82 | 76 | 36 |
| Manufacturing | 1 | 94 | 94 | 100 | 89 |
| Logging | 0 | 1 | 0 | 1 | 0 |
| Sawmills | 0 | 1 | 1 | 0 | 0 |
| Pulp and paper mills | 0 | 0 | 0 | 0 | 0 |
| Transportation, communications, and utilities | 652 | 970 | 945 | 928 | 893 |
| Trade | 101 | 540 | 920 | 845 | 982 |
| Finance, insurance, and real estate | 21 | 42 | 75 | 93 | 105 |
| Services | 121 | 770 | 753 | 884 | 858 |
| Government | 27 | 48 | 30 | 74 | 80 |
| Total | 929 | 2,722 | 2,947 | 3,056 | 3,090 |

Agriculture, forestry, and fisheries
Mining
Construction
Manufacturing
Logging
Sawmills
Pulp and paper mills
EARNINGS LOST OR GAINED (THOUSAND DOLLARS)

Transportation,

| communications, and utilities | 13,072 | 19,532 | 19,304 | 18,627 | 17,796 |
| :--- | :--- | :--- | :--- | :--- | :--- |

Trade

Finance, insurance, and real estate

| 320 | 635 | 1,142 | 1,436 | 1,589 |
| ---: | ---: | ---: | ---: | ---: |
| 2,310 | 9,240 | 8,936 | 10,533 | 10,053 |
| 417 | 717 | 428 | 1,098 | 1,196 |
| 17,700 | 48,220 | 47,223 | 45,891 | 45,654 |

EMPLOYMENT, LOSS OR GAIN BY OCCUPATION

| Managers | 115 | 271 | 296 | 295 | 308 |
| :--- | ---: | ---: | ---: | ---: | ---: |
| Professional | 29 | 114 | 126 | 151 | 150 |
| Technical | 15 | 88 | 91 | 105 | 104 |
| Service | 49 | 615 | 670 | 838 | 752 |
| Industrial technicians | 528 | 1,031 | 977 | 933 | 940 |
| Clerical | 154 | 496 | 590 | 599 | 637 |
| Sales | 41 | 103 | 194 | 127 | 191 |
| Farm | 0 | 4 | 5 | 8 | 7 |

1/The impact is derived by subtracting the baseline data (that is, simulation of historical data) from the impact scenario data. A minus sign indicates a loss of employment or earnings.

Table 3-Impact on the Alaska economy ${ }^{1}$ caused by the coincidental closure of two pulpmills and increased tourism trade

|  | Year of simulation |  |  |  |  |
| :--- | :--- | :--- | :--- | :--- | :--- |
| Industry | 1 | 2 | 3 | 4 | 5 |

JOBS LOST OR GAINED, BY SECTOR

| Agriculture, forestry, and fisheries | -8 | 10 | 12 | 21 | 16 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Mining | -1 | 20 | 20 | 22 | 20 |
| Construction | -11 | 150 | -7 | 31 | -5 |
| Manufacturing: | -1,576 | -1,552 | -1,224 | -969 | -903 |
| Logging | -460 | -517 | -341 | -163 | -138 |
| Sawmills | -48 | -54 | -45 | -40 | -41 |
| Pulp and paper mills | -1,065 | -7,056 | -917 | -843 | -794 |
| Transportation, communications, and utilities | 562 | 833 | 788 | 793 | 768 |
| Trade | 78 | 439 | 551 | 535 | 513 |
| Finance, insurance. and real estate | 8 | 2 | 2 | 24 | 28 |
| Services | 102 | 672 | 615 | 686 | 676 |
| Government | 17 | 9 | -15 | 16 | 22 |
| Total | -829 | 583 | 742 | 1,160 | 1,134 |


| Agriculture, forestry, and fisheries | -180 | 73 | 144 | 306 | 224 |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Mining | -30 | 770 | 764 | 835 | 771 |
| Construction | -381 | 5,526 | 260 | 1.153 | -188 |
| Manufacturing | -36,854 | -36,701 | -29,099 | $-23,153$ | -21,538 |
| Logging | -10,752 | -12,083 | -7,965 | -3,818 | -3,222 |
| Sawmills | -1,025 | -1,155 | -952 | -860 | -863 |
| Pulp and paper mills | -25,012 | $-24,817$ | -21,537 | -19,805 | $-18,646$ |
| Transportation, communications, and utilities | 10,959 | 16,341 | 15,375 | 15,378 | 14,830 |
| Trade | 885 | 5,168 | 5,965 | 4,703 | 4,716 |
| Finance, insurance, and real estate | 128 | 26 | 35 | 375 | 419 |
| Services | 1,860 | 7,556 | 6,652 | 7,556 | 7,402 |
| Government | 283 | 157 | -210 | 248 | 337 |
| Total | -23,332 | -1,083 | -634 | 7,400 | 6,975 |

EMPLOYMENT, LOSS OR GAIN BY OCCUPATION

| Managers | 40 | 156 | 155 | 171 | 171 |
| :--- | ---: | ---: | ---: | ---: | ---: |
| Professional | -60 | -5 | -1 | 23 | 23 |
| Technical | -3 | 58 | 51 | 64 | 63 |
| Service | -30 | 501 | 498 | 658 | 557 |
| Industrial technicians | -793 | -452 | -329 | -114 | -75 |
| Clerical | -7 | 256 | 267 | 300 | 309 |
| Sales | 26 | 65 | 100 | 52 | 82 |
| Farm | -1 | 3 | 3 | 5 | 4 |

1/The impact is derived by subtracting the baseline data (that is, simulation of historical data) from the impact scenario data A minus sign indicates a loss of employment or earnings.


Figure 1.-Change in employment resulting from coincidental closure of two pulpmills and increased tourism expenditures does not affect all occupations equally.


Figure 2.-Changes in total employment and earnings resulting from : (1) the closure of two pulpmills; (2) an increase in tourism expenditures; and (3) a combination of (1) and (2).

## Summary

## Appendix 1

A Brief Explanation of the IPASS Model

Figure 2 summarizes the change in employment and earnings associated with the three scenarios. The impact on employment and earnings caused by the closure of two pulpmills (scenario 1) is immediate and negative throughout the simulation. Most of the impact is felt by employees in the industry technician category, and most of the loss in jobs is likely to be limited to the towns in which the mills are located.

If tourism expenditures increase (scenario 2), the impact is immediate and positive throughout the simulation with service occupations making the major gains. These gains in employment would probably be spread throughout Alaska.

When the decrease in pulpmill activity coincides with increased sales by the tourism industry (scenario 3), the negative impact in loss of earnings resulting from the former is greater than the positive gains from the latter until the fourth year of the simulation, at which time the net impact is positive. In terms of employment, the impact of increased tourism is greater than the loss of pulpmill activity after the first year of the simulation. This apparent anomaly is explained by the fact that earnings per worker in pulp and paper is much higher than earnings per worker in tourism.

Although a $\$ 105$ million increase in demand for goods and services provided by the tourism industry would compensate for the loss of employment and earnings resulting from the closure of Alaska's two pulpmills, worker displacement must be kept in mind. Most of the loss would be confined to higher paying, technical jobs in two remote locations, and the increase in jobs would involve lower paying jobs located throughout the State.

IPASS measures change over time.-The IPASS model provides analysts with a flexible, interactive technique for simulating how a particular economy will react to changes in both supply and demand associated with policy alternatives. The IPASS system is composed of eight basic elements or "modules" (fig. 3). Unlike the traditional interindustry model, IPASS introduces the element of time. The dotted lines indicate how each of the modules are linked recursively for use in measuring changes over several time periods.

The eight IPASS modules deal with both demand-side and supply-side factors that affect a region's growth and development. The investment module calculates the investment needed to expand capacity in order to produce more goods and services. This module is connected to the final demand module. The latter forecasts changes in final demand; for example, change in exports. The production module is a Leontief inverse that performs the conventional multiplier calculations of the individual industry impacts of changes in the demand for a region's industrial output. This module also responds to the production constraints emanating from the demand side via the final demand module and the supply side via the investment and labor force modules.

The employment module updates model parameters that influence labor productivity, while the labor force module calculates the supply of labor by occupation classes. The population module uses migration and cohort survival rates, as well as age-specific birth rates, to estimate year-to-year changes in a region's population. Components of value added, including personal income, are calculated by the primary inputs module.


Figure 3.-IPASS is a dynamic, recursive system. Estimates for year $T$ are influenced by transactions during the current as well as previous years. Investments for year T, for instance, are a function of regional output and primary inputs for year T-1.

Ideally, all data for a particular IPASS model would be unique to the geographical area to be analyzed (see Appendix 3 for industry classification used for Alaska). For Alaska published data sources for some of the economic indicators and model parameters are lacking, however, and conducting a survey to obtain this information would be too costly and time consuming. For the Alaska model, we have, therefore, augmented Alaska published sources with data for the United States. Population and labor force participation, for example, are specifically for the State of Alaska. Capital-output ratios, however, are based on national ratios and trends. The USDA Forest Service software system, IMPLAN, ${ }^{1 /}$ was used to develop a synthetic input-output (I/O). Because the IMPLAN system uses direct coefficients from the natıonal I/O model, coefficients for the Alaska IPASS model were modified to reflect Alaska's economy.

[^3]An important feature of the IPASS simulation system is the ease with which the user can examine the sensitivity of forecasts based, in part, on nonlocal sources. By introducing a range of values for a parameter, for example, the user can determine how much a particular economic indicator would be affected by a change in the underlying assumptions.

Calibrating the Alaska IPASS data base.-Parameters and rate-of-change variables were adjusted so that the 1977 to 1982 baseline simulation corresponded to historical trends of value added, employment, earnings, and population for Alaska. Economic impact analyses will be the principal uses of IPASS; consequently, the change of a particular indicator is a more important consideration than its absolute level. During calibration, we were mainly interested in simulating the historical levels for various indicators. The calibration can be viewed as an ongoing activity since the model can be easily recalibrated as new information becomes available.

Tables 4 and 5 compare the calibrated baseline simulation of selected employment and earning indicators with historical 1977-1982 data. With few exceptions, the IPASS estimates corresponded closely (that is, $\pm 10$ percent) with the historical data. In general, the more annual fluctuations exhibited by an industry (for example, the construction and mining sectors), the larger the deviation between simulated baseline estimates and actual levels.

Table 4-Percentage of difference between the baseline simulation by IPASS and Alaska historical employment by industry

| Industry | Year |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 |
|  | - - | - - - | - - Per | n - - | - - - | - - |
| Agriculture, forestry, <br> $\begin{array}{lllllll}\text { and fisheries } & 2.24 & -20.69 & -8.72 & -1.79 & 2.13 & 7.38\end{array}$ |  |  |  |  |  |  |
| Mining | -5.41 | 13.05 | 25.64 | 15.74 | -7.34 | 0.15 |
| Construction | 0.00 | 1.9 | 31.30 | 34.53 | 18.29 | -4.29 |
| Manufacturing | 2.08 | -5.67 | -7.36 | -11.84 | -8.81 | 5.52 |
| Transportation, |  |  |  |  |  | -3.15 |
| Trade | -0.88 | 4.72 | 6.50 | 12.81 | 7.58 | 2.82 |
| Finance, insurance, and real estate | -0.15 | -4.93 | -2.27 | 4.64 | 3.69 | -0.58 |
| Services | -0.07 | -0.97 | -0.90 | -3.11 | -7.46 | -11.69 |
| Government | 0.34 | -4.03 | -5.05 | -1.04 | . 09 | -0.30 |
| All employment | 0.22 | -2.27 | -0.21 | 2.33 | 0.04 | -1.46 |

Table 5-Percentage of difference between baseline simulation by IPASS and Alaska historical earnings by industry

| Industry | Year |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 |
|  | $\ldots$ - . . . Percent $\ldots \ldots$ |  |  |  |  |  |
| Agriculture, forestry, $\begin{array}{lllllll}\text { and fisheries } & -15.63 & -28.56 & -14.42 & -17.92 & 21.44 & 22.59\end{array}$ |  |  |  |  |  |  |
| Mining | -6.01 | 17.34 | 37.58 | 22.54 | -0.88 | 3.12 |
| Construction | -14.67 | 18.40 | 64.55 | 61.57 | 35.17 | 6.41 |
| Manufacturing | 0.45 | -5.52 | -11.64 | -14.98 | -7.42 | -0.55 |
| Transportation, communications, and utilities | 1.08 | 4.21 | 6.23 | 9.65 | 3.36 | 1.26 |
| Trade | 0.0 | 8.62 | 16.48 | 24.02 | 15.33 | 5.22 |
| Finance, insurance, and real estate | 0.0 | -2.56 | 3.60 | 11.17 | 9.62 | -5.59 |
| Services | 0.01 | 24.32 | 33.90 | 29.17 | 13.97 | -0.94 |
| Government | 1.98 | 0.23 | 0.67 | 1.66 | 0.92 | -3.94 |
| All employment | -3.25 | 5.61 | 13.19 | 14.99 | 8.42 | 0.83 |

## Appendix 3

-Table 6-Comparison among IPASS, Bureau of Labor Statistics, and Bureau of Economic Analysis input-ouput model sectoring schemes and the Standard Industrial Classification code

| IPASS sector number | Industry | Bureau of Labor Statistics (154 sectors) | Bureau of Economic Analysis (466 sectors) | Standard Industrial <br> Classification <br> (1972 edition) |
| :---: | :---: | :---: | :---: | :---: |
| 1 | Dairy and poultry | 1 | 1,2 | pt. 01. pt. 02 |
| 2 | Meat animals | 2 | , | pt. $01 . \mathrm{pt} .02$ |
| 3 F | Feed, food grain | 4 | 5 | pt. $01 . \mathrm{pt} .02$ |
| 4 | 0 ther crops | 3,5 | 4,6-10 | pt. $01 . \mathrm{pt} .02$ |
| 5 | Agricultural services | pt. 7 | pt. 12 | 0254,07(exc.074) |
| 6 F | Forest products and services | pt.6.pt. 7 | pt. $11 . \mathrm{pt} .12$ | 081-085 |
| 7 | Fish products and services | pt.6,pt. 7 | pt. $11, \mathrm{pt} .12$ | 091-092,097 |
| 8 | Gold and silver mining | pt. 10 | 17-18 | 1041,1044 |
| 9 | Other metal ore mining | 8,pt. 10 | 13-16,19,21-23 | 10(exc. 1031, 1044, 1081) |
| 10 | Metal mining services | pt. 10 | 20 | 1081 |
| 11 | Coal mining | 11 | 24-25 | 111,pt.112,1211,pt. 1214 |
| 12 | Natural gas and petroleum | 12 | 26-28 | 1311,1321,pt. 138 |
| 13 | Stone, gravel, and clay | 13 | 29-43 | 141-145,pt.148,149 |
| 14 | Chemicals and fertilizers | 14 | 44-50 | 147 |
| 15 | New construction | 152 | 51 | $\begin{aligned} & \text { pt. } 15, \text { pt. } 16, \text { pt. } 17, \text { pt. } 108, \text { pt. } 1112, \text { pt. } 1213 \\ & \text { pt. } 138, \text { pt. } 148 \end{aligned}$ |
| 16 | Maintenance and repair | 15 | 52 | pt. 15,pt.16,pt.17,pt. 138 |
| 17 | Ordnance and related | 16-17 | 53-58 | 348,3761,3795 |
| 18 | Meat products | 18 | 59-62 | 201 |
| 19 | Dairy products | 19 | 63-57 | 202 |
| 20 | Canned, cured seafood | pt. 27 | 68 | 2091 |
| 21 | Fresh, frozen seafood | pt. 27 | 73 | 2092 |
| 22 | Other canned, preserved food | 20 | 69-72,74 | 203 |
| 23 | Baxery products | 22 | 32-83 | 205 |
| 24 | Beverages | 25-26 | 88-92 | 208 |
| 25 | Animal, marine fats, and oils | pt. 27 | 97 | 2093 |
| 26 | Other food and tobacco | 21,23,24,pt27,28 | 75-81,84-87,93-96,98-106 | 204,206-207,209(exc. 2091-2093),21 |
| 27 | Textile goods | 29-31 | 107-120 | 22(exc. 225) |
| 28 | Apparel and fabrics | 32-34 | 121-135 | 225,23(exc. 239), 39996 |
| 29 | Logging | 35 | 136 | 2411 |
| 30 | Sawnills | 36 | 137-139 | 2421,2422,2429 |
| 31 | Otner wood products | 37-38 | 140-149,388 | 243-245,249 |
| 32 | Furniture and fixtures | 39-40 | 150-162 | 25 |
| 33 | Pulp and paper mills | pt. 41 | 163 | 251-262 |
| 34 | Other paper and allied | pt.41-42 | 164-175 | 263-266 |
| 35 | Printing and publishing | 43-45 | 170-190 | 27 |
| 36 | Chemical and allied | 46-53 | 191-210 | 28(exc. 28195) |
| 37 | Petroleum and refining | 54 | 211-213 | 29 |
| 38 | Rubber products | 55-57 | 214-219 | 30 |
| 39 | Leather products | 58-59 | 220-228 | 31 |
| 40 | Stone, clay, and glass | 60-64 | 229-253 | 32 |
| 41 | Primary metals | 65-69 | 254-275 | 33 |
| 42 | Fabricated metals | 70-76 | 276-303 | 34 |
| 43 | Nonelectrical machinery | 77-87 | 304-345 | 35 |
| 44 | Electrical machinery | 88-96 | 346-375 | 36 |
| 45 | Snip and boat | 99 | 383-384 | 373 |
| 46 | Other transportation | 97,98,100-102 | 376-382,385-387,389 | 37 (exc.373) |
| 47 | Scientific instruments | 103-107 | 390-399 | 38 |
| 48 | Miscellaneous manufacturing | 108-110 | 400-419 |  |
| 49 | Railroad | 111 | 420 | 40,474, pt. 4789 |
| 50 | Local transit | 112 | 421 | pt. 41 |
| 51 | Truck transportation | 113 | 422 | 42,pt. 4789 |
| 52 | Water transportation | 114 | 423 |  |
| 53 | Air transportation | 115 | 424 | 45 |
| 54 | Pipeline | 116 | 425 | 46 |
| 55 | Transportation services | 117 | 426 | 47(exc. 474 ,pt.4789) |
| 56 | Communications | 118-119 | 427-428 | $48$ |
| 57 | Electrical utilities | 120 | 429 | pt. $491, \mathrm{pt} .493$ |
| 58 | Gas utilities | 121 | 430 | 492,pt. 493 |
| 59 | Hater and sanitation | 122 | 431 | 494-497, pt. 493 Sales Off. |
| 60 | Wholesale trade | 123 | 432 | 50,51(exc. Mfgrs. Sales Off.) |
| 61 | Retail trade Finale | 125 $126-128$ | $\begin{aligned} & 433 \\ & 434-438 \end{aligned}$ | $\begin{aligned} & 52-57,59,7396,8042 \\ & 60-64 \text { (exc. pt. } 613 \text { ) }, 67 \end{aligned}$ |
| 62 | Finance and insurance Real estate | $126-128$ $129-130$ 1 | 439-440 | 65,66,pt.1531 |
| 64 | Hotels and lodging | 131 | 441 | 70(exc. Eating \& Drinking) |
| 65 | Personal services | 132-133 | 442-443 | 72,762-764,pt. 7699 |
| 66 | Business services | 134-136 | 444-446 | 73(exc. 7395),769(exc. 7699), $81,89($ exc. 8922) |
| 67 | Eating and drinking | 124 |  | 58.pt. 70 |
| 68 69 | Auto repair | 137 $138-139$ | 448.450 | $78,79$ |
| 70 | ( Motion pictures and recreation | 140,pt. 141 | 451-453,456-457 | 80(exc.8042),074 |
| 71 | Education and nonprofit | pt. 141-144 | 454-455 | 82-84, 86,8922 |
| 72 | Federal enterprises | 145-146 | 458-461 | 4311,pt.491,pt. 613 |
| 73 | State and local enterprises | 147-148 | 462-464 | pt.41.pt. 491 |
| 74 | Scrap | 151 | 466 |  |
| 75 | Administrative government |  |  |  |


[^0]:    WILBUR MAKI is a professor, University of Minnesota, Department of Agricultural and Applied Economics, St. Paul, MN 55108. DOUGLAS OLSON is a research fellow, University of Minnesota, Department of Agriculture and Applied Economics, assigned to the Forestry Sciences Laboratory, Corvallis, OR 97331. CON SCHALLAU is project leader at the Pacific Northwest Forest and Range Experiment Station, Forestry Sciences Laboratory, 3200 Jefferson Way, Corvallis, OR 97331.

[^1]:    ${ }^{1 /}$ A brief description of the IPASS model is provided in Appendix 1. For a more complete explanation of the IPASS system see, Olson, Doug; Schallau, Con; and Maki, Wilbur. IPASS: an interactive policy analysis simulation system. Gen. Tech. Rep. PNW-170 Portland, OR: U.S. Department of Agriculture, Forest Service, Pacific Northwest Forest and Range Experiment Station; 1984. 70 p.
    ${ }^{2}$ Appendix 3 provides a list of the 75 sectors in the Alaska model. Data for 75 sectors were derived and then were aggregated for the purpose of this paper.

[^2]:    ${ }^{3 /}$ The value of expenditures by tourists would exceed the net economic contribution to Alaska's economy. Many of the items purchased by tourists, and the services provided, rely heavily on imports. Total tourism expenditures would consequently have to exceed $\$ 105$ million.

    4/ The Research and Analysis section, Alaska Department of Labor, provided unpublished tourism survey data showing expenditures by nonresident tourists. These data were converted to expenditure classes in the Bureau of Economic Analysis' "National Income Product Account" (NIPA) that were identified as "tourism" related. The distribution of tourist dollars among Alaska industries was derived from the NIPA expenditure classes.

[^3]:    ${ }^{1}$ Unpublished report, 1982, "IMPLAN User's Manual,"' Land Manage:nent Planning, U.S. Department of Agriculture, Forest Service, Fort Collins, Colorado.

