

ECONOMIC DEVELOPMENT AND HEALTH

Economic development is a process in which an economy grows and becomes more advanced, especially when both economic and social conditions, thus living standards, are improvedⁱ. ‘Improved living standards’ refers to higher levels of education, literacy and earned income; better health and well-being; and longer lifespans. Ultimately, it’s a process of improving the quality of life of a communityⁱⁱ. Economic development encompasses both growth and welfare economicsⁱⁱⁱ.

There’s an intricate relationship between economic development and health. One on hand, health and well-being can be outcomes of economic development. People with higher average incomes tend to live longer and experience fewer years of disability; while lower income and greater poverty are strongly associated with higher mortality rates. On the other, health can be a key determinant of economic development and poverty reduction. People with poor health have reduced ability to participate in the paid labor force and reduced productivity while at work. In brief, our health and our economy are mutually dependent.

How we develop our industries and business shapes the health and prosperity of our county and region. Economic diversification and investments in both places and people can fuel growth. However, not all economic growth benefits everyone equally. For all to enjoy wealth, health and an improved living standard, growth must be done inclusively and investments targeted equitably. Many “inclusive growth and infrastructure investment” strategies and policies identified below aim to spur growth in distressed places, lift the vulnerable populations out of poverty, and raise the living standards for everyone. Not until growth occurs inclusively, health disparities between the “haves” and the “have-nots” will continue to exist.

The Logic Model

Input / Impact Area	Strategies/ Policies	Intermediate Outcomes	Ultimate Outcomes
Economic Diversification	<ul style="list-style-type: none"> • Apply research and data to analyze and identify our county’s unique capabilities, strengths and human capital assets, including infrastructure, talent and institutions. • Build on existing capabilities to identify opportunities to diversify and grow the economy. • Preserve and enhance diversity of employment sectors. • Provide further opportunities to grow and host advanced industries. • Prioritize investments in developing high-demand skills, technology, and research and development. • Nurture conditions for innovations into new products and services. • Develop land-use strategies to support diversification. 	<ul style="list-style-type: none"> • Increased attraction of quality jobs supported by diverse pool of skilled labors. • Increased growth in advanced manufacturing industries. • Increased number of jobs that are reliable and offer decent wages to match the cost of living and desired quality of life. 	<ul style="list-style-type: none"> • Improved health and well-being of populations. • Improved standard of living. • Reduced poverty. • Improved local wealth and the overall economy. • Improved quality of life.

Input / Impact Area	Strategies/ Policies	Intermediate Outcomes	Ultimate Outcomes
	<ul style="list-style-type: none"> • Protect sufficient land for high potential economic use for long-term job growth and stability. • Support primary industries, such as agriculture, mineral extraction and forestry, through resource land preservation, etc. • Support local food production and distribution. • Elevate manual, shared, and seasonal labor and cultivation. • Foster, retain and expand small and local businesses. • Create diverse opportunities to bring living-wage jobs to communities. 	<ul style="list-style-type: none"> • Increased disposable income for families to access healthy foods and health care. • Increased access to local foods and healthy diet. • Increased wealth to invest in better health care systems and services. • Broadened tax base. 	
Inclusive Growth ^{iv}	<ul style="list-style-type: none"> • Nurture workforce ownership and entrepreneurship to build community wealth. • Engage and empower diverse employees to allow direct input in agency functions and support employee retention. • Engage local businesses in developing strategies to address displacement due to gentrification. • Build a place-based economy with local residents to ensure wealth stays local. • Retain and create living-wage jobs in conjunction with affordable housing. • Direct capital toward minority-owned firms and disadvantage business enterprises^v. • Incentivize disadvantage business enterprises and remove barriers to renovate and operate in devalued areas. • Acknowledge and reward employers and business owners who provide living wage jobs, high quality work environments and opportunities for advancement. 	<ul style="list-style-type: none"> • Increased access to opportunities for upward mobility for all. • Increased equity into local economy and wealth retained in local community. • Increased number of local business startup and retention. 	<ul style="list-style-type: none"> • Improved health and well-being of populations. • Improved standard of living for all. • Reduced poverty. • Reduced wealth gap. • Improved local wealth and the overall economy. • Reduced health disparities across different income groups. • Increased social and economic equity in local communities. • Increased sense of place and ownership. • Improved quality of life. • Improved inclusiveness.

Input / Impact Area	Strategies/ Policies	Intermediate Outcomes	Ultimate Outcomes
	<ul style="list-style-type: none"> • Develop partnerships and programs to support small, local, women or minority-owned businesses and entrepreneurs to navigate community resources. • Encourage a hire-local policy. • Create and fund an ecosystem of support for cooperative development and entrepreneurship to fuel local economy^{vi}. 		
Infrastructure Investment ^{vii}	<ul style="list-style-type: none"> • Ensure infrastructural investments, including new technologies, are equitable and inclusive to improve the social and economic conditions of distressed neighborhoods and meet the needs that matter most to residents. • Target infrastructure investments in underserved neighborhoods. • Identify key infrastructure needs by sector, based on capabilities/priorities and proximity to areas of population density. • Coordinate with the Port, the Tribes, and other agencies to explore, opportunities for shared long-term investments. • Use analytics to identify and address transit and other service deserts. • Invest in placemaking strategies, services and amenities, creative arts and culture, affordable sustainable housing, and education system schools to attract competitive businesses and inspire talented workforce. • Confront the area's high cost of living by improving affordable access to housing and transportation choices. • Expand access to affordable transportation options in underserved neighborhoods to connect the underserved populations with jobs. • Mobilize resources and investments around Opportunity Zones. • Encourage healthy retail along main streets and transit corridors^{viii}. 	<ul style="list-style-type: none"> • Increased household income. • Improved social and economic conditions and equity of all neighborhoods by redirecting investments in distressed areas. • Improved jobs-housing balance/match. • Increased access to affordable transportation and housing choices in low-income neighborhoods. 	<ul style="list-style-type: none"> • Increased prosperity across all neighborhoods. • Reduced poverty. • Reduced social and economic disparities across neighborhoods. • Increased physical and cultural capitals. • Reduced health disparities. • Improved overall health and well-being. • Improved quality of life.

Input / Impact Area	Strategies/ Policies	Intermediate Outcomes	Ultimate Outcomes
	<ul style="list-style-type: none"> • Ensure safe and affordable housing and transit options to help lift families' financial prospects. • Expand multimodal options, capacity and connectivity to move people and freight, while addressing climate challenges. • Invest in sustainable infrastructure to support a green economy. • Focus investments and new growth in urban areas and centers to capitalize infrastructure investments. 		
Workforce Development	<ul style="list-style-type: none"> • Utilize data to show local labor market dynamics and employment prospects. • Focus business and career opportunities on new and emerging products and services. • Work with local industries and businesses and community-based organizations to identify skills-in-demand within the community. • Link training to the needs of local employers and anchor institutions^{ix}, and create support services. • Identify employment barriers by inclusively engage the underserved communities. • Work with academia and training agencies to align training with emerging human resource needs. • Support regional and local culture of professional and organization development of relying on good research, data, metrics and tools, monitoring social and economic trends of neighborhoods, as well as acquiring local economic insights, understanding of strengths and weaknesses, and public consultation skills to persuade investments in distressed neighborhoods. • Invest in children's exposure to skill development, youth programs and events across all sectors. 	<ul style="list-style-type: none"> • Increased number of trained workforces that matches sought-after jobs and emerging industries. • Increased educational opportunities, besides the traditional 4-year college program, to match the diverse available jobs. • Improved leadership and organizational culture. • Improved worker health and reduced absenteeism from work to ensure a stable and health workforce to support the economy. • Increased attraction of quality jobs supported by diverse pool of skilled labors. • Improved labor readiness to meet emerging industry needs. 	<ul style="list-style-type: none"> • Increased human capital. • Improved standard of living. • Increased household income. • Improved overall health and well-being of populations. • Reduced poverty. • Improved quality of life. • Improved standard of living^{xi} ^{xii}.

Input / Impact Area	Strategies/ Policies	Intermediate Outcomes	Ultimate Outcomes
	<ul style="list-style-type: none"> • Provide access to equal opportunity in life-long learning to re-skill* for upward mobility. • Work with local organizations to provide job opportunities upon completion of training. • Seek public and private partnerships to improve job quality and build a lifelong learning infrastructure. • Provide people's access to training, skills and services. • Provide health benefits to support labor force. • Develop a skilled work force to be employed in family wage jobs (e.g. plumbers, carpenters, etc.) by supporting STEM Education in Schools, Technical Education Programs, Trade Apprenticeships, etc. 		
Develop and Fund an Action Plan	<ul style="list-style-type: none"> • Develop an action plan and land-use strategies to implement economic development goals and policies adopted in the comprehensive plan. • Build coalition among local government, business owners, academia, local community development organizations and non-profit groups, such as South Sound Alliance, for policy and funding advocacy at the state and federal level. • Build shared agenda and areas of mutual-interest collaboration with Tribes and the Port. • Seek sustainable funding and public-private partnership to implement the plan and improve business climate, such as: establish revolving loan funds, business retention and expansion programs and finance projects, develop or incentivize real estate investment, etc. 	<ul style="list-style-type: none"> • Increased growth and prosperity. • Increased funding to support local economy and distressed neighborhoods. • Improved social and economic conditions of all communities and neighborhoods. 	<ul style="list-style-type: none"> • Increased financial capital. • Improved standard of living. • Improved overall health and well-being of populations. • Improved quality of life.

Research Evidence

Escobari, Marcela, Ian Seyal, Jose Morales-Arilla, and Chad Shearer. 2019. *Growing cities that work for all: A capability-based approach to regional economic competitiveness*. Washington, DC: Brookings. <https://www.brookings.edu/research/growing-cities-that-work-for-all-a-capability-based-approach-to-regional-economic-competitiveness/>.

Frakt, Austin B. 2018. "How the Economy Affects Health." *Journal of the American Medical Association* 319, no. 12: 1187-1188. <https://doi.org/10.1001/jama.2018.1739>.

Hagan, Erin, and Victor Rubin. 2013. *Economic and Community Development Outcomes of Healthy Food Retail*. Oakland, CA: PolicyLink. [https://www.policylink.org/sites/default/files/final her economic white paper final 1%2018%2013.pdf](https://www.policylink.org/sites/default/files/final%20her%20economic%20white%20paper%20final%201%202018%202013.pdf).

Husain, Muhammad Jami. 2009. "Contribution of Health to Economic Development: A Survey and Overview." *Kiel Institute for the World Economy. Economics Discussion Papers No. 2009-40*. <http://www.economics-ejournal.org/economics/discussionpapers/2009-40>.

Khuller, D., and Chokshi, D. 2018. "Health, Income, & Poverty: Where We Are & What Could Help". *Health Affairs Health Policy Brief*. <https://www.healthaffairs.org/doi/10.1377/hpb20180817.901935/full/>.

Martinez, Stephen, Michael S. Hand, Michelle Da Pra, Susan Pollack, Katherine Ralston, Travis Smith, Stephen Vogel, Shellye Clark, Luanne Lohr, Sarah A. Low, and Constance Newman. 2010. *Local Food Systems: Concepts, Impacts, and Issues*. U.S. Department of Agriculture Economic Research Report No. (ERR-97) 87 pp. <https://www.ers.usda.gov/publications/pub-details/?pubid=46395>.

Master Card Center for Inclusive Growth. 2019. "Finding the Path to Inclusive Growth: A Data-Driven Blueprint for Cities." Accessed April 23, 2020. <https://www.mastercardcenter.org/insights/finding-the-path-to-inclusive-growth>.

Master Card Center for Inclusive Growth. 2019. "Leaving No Place Behind in the Digital Economy." Accessed April 23, 2020. <https://www.mastercardcenter.org/insights/leaving-no-place-behind-in-the-digital-economy>.

Muller, N., et al. 2018. "The Distribution of Income Is Worse Than You Think: Including Pollution Impacts into Measures of Income Inequality." *PLOS ONE*. <https://doi.org/10.1371/journal.pone.0192461>.

World Health Organization. "Poverty and Health". Accessed April 27, 2020. <https://www.who.int/hdp/poverty/en/>.

Endnotes

- ⁱ “Economic development-definitions.” Accessed April 27, 2020. <https://dictionary.cambridge.org/dictionary/english/economic-development>, and <https://marketbusinessnews.com/financial-glossary/economic-development/>.
- ⁱⁱ John Spacey. 2018. “25 Types of Economic Development.” *Simplicable*. Posted on May 08, 2018. Accessed April 27, 2020. <https://simplicable.com/new/economic-development>.
- ⁱⁱⁱ Wikipedia definition of “welfare economics.” Accessed April 27, 2020. https://en.wikipedia.org/wiki/Welfare_economics.
- ^{iv} Master Card Center for Inclusive Growth. “Inclusive Growth Toolkit.” Accessed April 23, 2020. <https://inclusivegrowthscore.com/>.
- ^v US Department of Transportation. “Definition of a Disadvantaged Business Enterprise.” Accessed June 2, 2020. <https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise/definition-disadvantaged-business-enterprise>.
- ^{vi} Kelly Marjorie, and Sarah McKinley. 2015. “7 Paths to Development That Bring Neighborhoods Wealth, Not Gentrification.” *YES! Magazine*. Accessed April 23, 2020. <https://www.yesmagazine.org/economy/2015/11/11/7-paths-to-development-that-bring-neighborhoods-wealth-not-gentrification/>.
- ^{vii} PolicyLink. “Infrastructure Equity.” Accessed April 22, 2020. <https://www.policylink.org/our-work/community/infrastructure>.
- ^{viii} Royal Society for Public Health. 2015. *Health on the High Street*. <https://www.rsph.org.uk/our-work/campaigns/health-on-the-high-street.html>.
- ^{ix} Chris Schildt, and Victor Rubin. 2015. [Leveraging Anchor Institutions for Economic Inclusion](https://www.policylink.org/sites/default/files/pl_brief_anchor_012315_a.pdf). Oakland, CA: PolicyLink. https://www.policylink.org/sites/default/files/pl_brief_anchor_012315_a.pdf.
- ^x Marcela Escobari, Ian Seyal, and Michael Meaney. Realism About Reskilling: Upgrading the Career Prospect of America’s Low-wage Workers. Washington, DC: Brookings. https://www.brookings.edu/wp-content/uploads/2019/11/Realism-about-Reskilling_Brookings_Overview-FOR-WEB.pdf.
- ^{xi} The Self-Sufficiency Standard is the amount of annual income required to meet basic needs differentiated by family type and location without the help from public subsidies (e.g. public housing/housing assistances, Medicaid, SNAP/WIC, childcare assistance) or private/informal assistance (e.g. unpaid babysitting by a relative or friend, food from food banks, or shared housing).
- ^{xii} Diana M. Pearce. 2017. *The Self-Sufficiency Standard for Washington State 2017*. University of Washington School of Social Work. Prepared for Workforce Development Council of Seattle-King County. http://selfsufficiencystandard.org/sites/default/files/selfsuff/docs/WA2017_SSS.pdf.