

Chapter IV

Initiative Observations and Lessons Learned

In this section we offer observations, lessons learned, and policy recommendations from the institutional and community level study of the Initiative. We devoted considerable effort in both the institutional analysis and the case study work to examine the institutional structures and how state and federal agencies directed and participated in the project prioritization process and how they responded to local and regional needs. At the community level we examined what projects accomplished individually and in combination with other projects in the context of community conditions and challenges. Our observations, lessons learned, and policy recommendations are therefore offered with the objectives of developing recommendations that are important locally, politically and institutionally feasible, and capable of being implemented successfully.

The observations and lessons learned that follow are focused on identifying ways of improving the ambitious, novel, and largely experimental effort that the Northwest Economic Adjustment Initiative represented. While some may glean from the following that the Initiative did not succeed, this would be a mistake. The Northwest Economic Adjustment Initiative had many successes locally as well as regionally and institutionally. Against the odds, the challenges, and the institutional inertia it faced, the Northwest Economic Adjustment Initiative is an approach to emulate. The Northwest Economic Adjustment Initiative—especially with the incorporation of the following lessons—represents a model for intergovernmental collaboration and community development for the future.

1. The Northwest Economic Adjustment Initiative created new institutional and intergovernmental partnerships, created an environment of collaboration, and created a new way of doing business that improved service delivery in the region.

The NEAI process established an innovative model of service delivery and is generally viewed as an exemplar of interagency and intergovernmental collaboration. It didn't work everywhere and all the time, but

in the aggregate it did establish new models and new standards between state and federal agencies and local governments. These collaborations are reflected in the many multi-agency funded projects in communities. At state, county, and even sub-county levels, the NEAI established what amounted to a peer training network in which lessons were shared between communities—including Native American communities—and between agencies and communities. Lessons learned in one area were sometimes translated directly into, for example, a project being adapted and tried elsewhere.

Institutional interviewees regularly and uniformly spoke of “seamless delivery” of federal and state programs, “one government,” “one-stop shopping,” and the advantages of agencies coming together at the same table to share perspectives, talk about mechanisms for improving service delivery, and solve community problems. They were convinced that this is the way for government to conduct its business. Many community interviewees praised institutional collaboration and welcomed the one-stop “centers” and other changes. Some, however, were more equivocal about the results, particularly those who prior to the Initiative had established relationships and had been able to secure support from agencies or via congressional earmarks. Many of these people felt they did not benefit from the NEAI structure because the competitive advantage of their community declined with the increased accessibility of programs and grants that led to more competition for funding.

Policy Recommendations

1. *The successes associated with the Northwest Economic Adjustment Initiative compel supporting similar inter-agency collaborative endeavors elsewhere.*
 - a. *The creation of new institutional and intergovernmental partnerships, a collaborative environment, and new ways of doing business requires encouragement, support at the highest levels, and rewards.*
 - b. *Successful establishment of new institutional and intergovernmental partnerships requires delegation*

- of real authority accompanied by financial support.*
- c. *Strong community involvement in the planning and implementation of economic adjustment initiatives is critical to their ultimate success.*
 - d. *New partnerships, collaboration, and new ways of doing business themselves do not ensure that everyone benefits: attentiveness, safeguards and capacity-building programs are needed to assure that under-represented and lower capacity communities and groups are included.*
 - e. *A rich and flexible medley of programs and interventions need to be developed in recognition that communities have different capacity to respond and to participate.*

2. The Initiative initiated, stimulated, and advanced remarkable local collaborations, as well as a high degree of collaboration between the three states.

Similar to the institutional-level collaboration it fostered, the NEAI stimulated community discussion and collaboration that was new and unique, and in numerous cases quite remarkable. Whether it was the establishment of new partnerships between communities and counties, communities and agencies, communities and non-governmental organizations, or local residents who came together as community action or “visioning” teams to make recommendations to identify future courses of action, prioritization of local projects required local leadership and people working together in novel ways. It was not successful in all communities, but in the majority of communities examined as a part of this study, Initiative projects catalyzed partnership development and collaborative action that otherwise would not have occurred. In addition to initiating collaboration, in a number of cases, Initiative support expanded existing collaborations and partnerships, some of which had been seeded by the same federal agencies prior to the Initiative. In Eagle Point/White City, Oregon, for example, existing collaborations were enhanced through NEAI support for projects including but not limited to housing rehabilitation. These projects provided tangible evidence of progress, and also had the effect of inspiring greater community pride and spirit.

Community collaboration contributed to capacity-building, and improved the likelihood of

both successful pursuit and outcomes of community development projects. In California, community action team leaders met regularly and shared stories, lessons, and hope. In the city of Weed, non-governmental organizations and agencies came together to develop the south part of town to attract new businesses and Interstate 5 tourist dollars. The scale of this development would not have been possible without the multi-partner involvement that the Initiative facilitated. In Happy Camp, Initiative support helped the Karuk Tribe advance projects with broad community benefit that led to a new relationship between the non-Indian community and the Karuk Tribe. While many challenges remain for this isolated rural community, this new relationship holds a promise that didn’t exist before. In Cave Junction, Oregon, the water and sewer projects served to bring the town together with the Illinois Valley Community Response Team, a relationship that was further strengthened as community members sought and acquired Initiative support for additional projects. In Shelton, Washington, an unusual multi-agency partnership developed around a sewer project. Establishing and strengthening local partnerships became an Initiative theme in the Cave Junction/Illinois Valley region, Hayfork, California, and Skamania, Washington, to mention just a few. Skamania provides a particularly powerful example of effective collaboration.

Policy Recommendations

2. a. *Support is needed at local levels (such as that through the Forest Service’s Rural Community Assistance Program) and agency and state institutional levels to encourage, support, and facilitate collaboration.*
- b. *New approaches and collaboration do not ensure that everyone benefits; focused attention must be directed at under-represented and lower capacity communities to assure that they are served.*

3. Coordination of projects of the magnitude of the Northwest Economic Adjustment Initiative requires adequate staffing and support.

The Administration implemented the Initiative with existing staff because of the difficulty of moving a new program rapidly through Congress, to

avoid being accused of spending resources on a big bureaucracy when resources could be better directed to local areas and projects, and, as one official argued, because there was resistance to staffing at the regional level. While the organizational chart displayed seven federal departments and 16 government agency programs involved in the coordination (see Figure 2.1, page 9), it certainly appeared that the Initiative was creating a complex, and perhaps unfathomable, bureaucratic maze. In reality, however, the Initiative provided no or few additional resources and support staff, strained the capacity of existing personnel, and created adverse administrative consequences, all of which could have had even more serious legal and political consequences. In addition to taking on the tasks of the NEAI, existing staff were also being stretched because another Administration initiative stressed agency downsizing. The result of adding more responsibilities and an increased workload to fewer people overburdened agency capacities and produced burn out.

While many of the personnel working on the Initiative received praise for their dedication and hard work from assistance recipients as well as from their peers in the Initiative administrative structure, the failure to make dedicated staff assignments to the RCERT and the Multi-Agency Command meant that there was inadequate follow-up, program tracking, and project outcome review. Existing agency staff did step in to help with administrative follow-through between meetings. However, these individuals also had other job assignments; each NEAI assignment, as noted previously, could have been a full-time job. This led to a lack of monitoring and evaluation and, by extension, to a lack of adaptive modification based on orchestrated, coordinated planning. Moreover, the lack of staff to administer and provide oversight created a situation where it would have been extremely difficult to detect program fraud. While most interviewed participants believed that there was little waste or misspent monies, failure to build mechanisms and staff for program accountability could have had dire consequences.

At the state level, Oregon committed considerable staff resources to their CERTs. The states of

Washington and California committed fewer staff resources than Oregon. In those states staffing was obtained through Economic Development Administration (EDA) and Forest Service support. These same agencies provided essential support for staff at county and regional levels, though there still remained communities in need of staff to develop project proposals. Although some communities paid local staff with NEAI funds, others found involvement with the Initiative to be financially burdensome.

Now that the Initiative is over, there is concern that staffing for ongoing coordination will diminish further. The 2002 and 2003 budget deficits that all three Initiative states are facing will challenge all the states and will likely lead to an erosion of services to communities. For example, in California, the Department of Technology, Trade and Commerce leads the State CERT, but it has responsibilities for the rural areas for the entire state. Scoping agents in Washington work closely with communities on projects, but now with one individual holding responsibility for 10 counties, there remains a question of how effective one individual can be. Against the backdrop of increased interagency coordination, the number of federal and state agency staff has dropped dramatically since the launch of the Initiative.

Policy Recommendations

3. *To succeed, NEAI-like interventions require appropriate and adequate staffing of individuals committed to the work.*
 - a. *Staff must have the support of participating agencies as well as the knowledge of these agencies to assure effective coordination.*
 - b. *Staff must also be empowered by higher administrative levels to effectively coordinate interagency efforts.*
 - c. *The interest to maintain the NEAI structures to assure streamlined and integrated program delivery must be matched by continued support for this coordination or these structures and their efficacy (and the relationships that have been established) will likely wither.*

4. The Initiative facilitated the development of important state and regional level institutional changes. Changes at the Washington, D.C. level, however, have been shallower, and much slower. The lack of significant and deep institutional changes at the upper levels of federal agencies is likely to hinder the success of similar initiatives in other parts of the United States.

While significant changes did accompany the Initiative, the opinions of those involved in the study are divided as to whether those changes would be enduring. The level of government within which individuals operated often determined their perspectives: the closer to the ground one operated, the more likely he/she sees change and the more likely it will be seen as enduring. Many state and local officials adamantly assert that there isn't anyone that has been engaged in the CERT process that will conduct business in the same way again, especially at the state and local levels. The CERT member statement, "We are not going back to the way it used to be," can be viewed both as a statement of reality as well as one of resolve. Certainly, all three states have adopted the CERT process and continue to use it and adapt it.

The Initiative changed the way communities, cities, and counties approach state and federal agencies, and how they communicate with each other. There is a new participatory and collaborative framework. In Washington State, for example, the Timber Team's budget has been transferred to the WA-CERT, and the WA-CERT is now biennialized in the state budget. The WA-CERT is expanding to include all rural areas, not just timber. The WA-CERT is also looking to be the model for delivery of economic assistance to communities and businesses affected by the Interior Columbia Basin Ecosystem Project. In Oregon, the Initiative's experience spawned some other models within Oregon state government, such as the Governor's Community Solutions Team, and processes that might not be run through the OR-CERT anymore, but which are, nonetheless, an outgrowth of it. One example is the annual "Needs and Issues Inventory" for prioritizing local projects and assigning lead agencies. California has set up a rural development infrastructure that didn't exist previously, and CA-CERT will continue, albeit under another name.

Discussions have also occurred among state and regional CERT personnel about whether a regional Memorandum of Understanding continuing the federal agency-state collaborative relationships might be advantageous in terms of partnerships and service delivery. In this sense, it can be said that the Initiative fostered sustainable CERT processes that will continue to operate in the three states even after the end of the NEAI. Outside of the region, interest from the State of Alaska resulted in it establishing a CERT. The CERT process also has been transferred into some local projects in California, and other areas of the country have expressed interest in learning more about the innovative institutional relationships that were part of the Initiative. However, in terms of the federal agencies, opinions are more cautious about whether the NEAI's emphasis on collaboration and partnership will leave an enduring imprint on agency operations.

At the Washington, D.C. level the Initiative was perceived as a special regional project rather than a new way of doing business. The engagement of the agencies and national and regional offices was uneven. The federal regions weren't consistent; often two or more federal regions for a single agency were involved, making regional office ownership more challenging. It is questionable whether the Multi-Agency Command (MAC) was looked at as little more than a good short-term tool to solve problems in the Northwest. The MAC originally dealt with barriers and facilitated some permanent changes, such as changing population thresholds for program eligibility or waiving certain procurement rules, but the MAC's presence declined after the first two years of the Initiative. This decline meant that the emphasis on changing rules and regulations to facilitate Initiative implementation diminished. Had the MAC continued with the energy and profile it had at the outset and had there been more monitoring and learning of the Initiative, the role of the MAC could have moved from one of breaking down barriers to implementation and interagency work to doing that work *and* to developing mechanisms for assuring long-term, effective interagency collaboration and addressing barriers hindering program performance.

While MAC staff and members did try to arouse interest in transferring the NEAI model of collaboration and partnerships in service delivery and its multi-layered implementation structure to other regions of the country and/or in applying it to other policy issues, there was little interest. The Secretary of Agriculture was being distracted by his own ethical scandals, and agencies like the Forest Service and the congressional appropriation committees resisted the idea of moving the structural discussion from a short-term change to a real long-term alternative. Although there were some conversations in the Clinton Administration about applying the Initiative as a model of collaboration for implementing the new fire strategy, the model and its multi-layered structure has not been applied elsewhere.

It is questionable whether the NEAI structure and influence could ever be duplicated. As one official mused:

It's hard to beat a president, a vice-president, five cabinet members, the governors of all three states and their top people....we didn't know what a stunning opportunity and period in history this was. We didn't really understand how unique it was to have secretaries and assistant secretaries from multiple levels of government all have their attention poised on solving problems with money to do so.... We didn't realize that it was so rare....The energy they pumped into it was kind of a once in a lifetime experience....

When turf issues are inevitably involved, new solutions and new structures require such high-level focus, but as the official points out, the high-level focus the NEAI received is a unique, not common, Washington, D.C. focus on domestic policy issues.

Since it was not designed as a long-term program, prospects for expanding, institutionalizing, and standardizing the NEAI approach and its structure—aside from the political question of whether the second Bush Administration might embrace an initiative of the prior administration—also involve questions about whether the NEAI model might fit situations other than those where communities are

undergoing major economic restructuring or when changes in an industry hit particularly hard. While some questioned the appropriateness of the model for emergency situations, it is important to point out that the WA-CERT system was utilized to deliver disaster assistance two separate times. Finally, it is questionable whether such a multi-layered coordinating structure is sustainable without creating its own bureaucracy. Thus, despite the hope that the NEAI might have many applications at the federal level, what is most likely to remain as the legacy of the Initiative are the state CERT processes, increasingly adapted to each state's political and administrative priorities.

Policy Recommendations

- 4.a. Strong and ongoing support from the higher echelons of federal government is critical to the long-term success of economic adjustment initiatives. Development of such support is likely to require substantial changes in the ways in which federal agencies reward upper-level administrators.*
- b. The more agencies work to define or delimit regions in similar ways, the easier it will be to facilitate interagency action and improved coordination and access by program recipients.*

5. Many of the timber industry-related dislocations and economic effects that the Initiative was designed to address had taken place long before the Northwest Forest Plan and the Initiative were launched.

The Northwest Economic Adjustment Initiative was designed to respond to timber industry dislocations and related economic effects associated with declines in federal timber harvesting associated with the Northwest Forest Plan. However, for many communities, the Initiative came amidst a crisis that started before the Forest Plan, and after many workers and communities had weathered substantial industry declines. In these areas, a number of industry workers moved on to other work or left their communities entirely in search of new opportunities. Communities like Bridgeville and McCloud in California and Port Orford, Oregon suffered serious employment declines before 1980. Communities like

Myrtle Creek, Oregon, Shelton, Washington, and Weed, California all had significant employment declines in the early 1980s. A combination of factors led to employment declines; included are recessions and reductions in harvesting that preceded the Forest Plan, timber industry downsizing associated with mill retooling and increased efficiency of mills and harvest equipment, increased mill concentration, and foreign competition. These factors contributed to a total of one-third of the case study communities reporting sizable layoffs prior to 1985 and one-half of the case study communities reporting significant timber industry employment declines prior to the launch of the NEAI. This is not to say that the Forest Plan had no effect on the timber industry or communities. The important and less well understood point is that the Initiative was responding to a crisis that in many cases had begun in the years prior to 1993. Some communities that lost mills and harvest operations had already faced the worst of the downturn. Hence, when the Initiative was launched communities were in very different stages of “crisis” and experiencing different socioeconomic effects than ones that had just recently suffered job losses associated exclusively to the reduction of harvests on federal land. The Forest Plan dramatically reduced harvests on federal land and further challenged the timber industry that remained. However, it is important to note that high unemployment and other socioeconomic maladies did not automatically mean high timber industry worker unemployment and a mass of workers ready and willing to enter retraining and Jobs-in-the-Woods programs.

Policy Recommendations

5. *A natural resource policy that clearly links sustainable forest and land management to rural community health and well-being needs to be developed.*
 - a. *The connection between rural forest community health and well-being might best be developed separately in a forestry title in the farm bill or developed separately.*
 - b. *Natural resource policies leading to serious regional economic hardship warrant national-level coordinated responses; if serious enough, strike-team type responses are appropriate.*

6a. In light of the very public commitment by the administration to serve workers and families, one of the most significant failures of the Northwest Economic Adjustment Initiative was its inability to serve many of the workers who needed assistance.

Estimates of job loss associated with the Forest Plan varied widely, but no matter how one counts the displaced, nowhere near the number of workers and their families displaced received services commensurate with their needs, especially in light of the political promises that were made at the launch of the Initiative. As with the forest management side of the Plan—let alone general natural resource management—the disparity between publicity about serving workers and their families and the reality of existing programs, increased the distrust of the federal government. There are numerous reasons why the Initiative disappointed the majority of workers: layoffs had been ongoing for a number of years and the demand for services outstripped resources available for retraining programs; the timber grants to the states which funded retraining programs were limited; the limitations on unemployment insurance restricted the amount of time workers could receive support while participating in training programs and many could not afford retraining without family support; workers in the region living in remote areas were beyond the reach of training programs; and there is what is called a “trickle in” effect, in which program support is inadequate since it is derived (by the Department of Labor) from anticipated layoffs. Layoffs are tracked primarily through larger mill and large employer operations and the smaller operations are, for the most part, untracked.

Additionally, the traditional model of serving workers and their families focuses on skill development and connecting the displaced to jobs that will be created by the market. In communities close to the major urban areas or near newly emerging industries such as the silicon industry that blossomed in the upper Willamette Valley in the late 1990s, this may be appropriate. Relying on the market to produce new jobs in isolated rural areas, however, is a dubious assumption. For the remote rural communities with a primary reliance on the forest ecosystem for jobs,

this assumption was laid bare with the separation of the land management side of the Northwest Forest Plan from the Northwest Economic Adjustment Initiative. This separation made it extremely difficult to programmatically connect woods and ecosystem restoration to job creation and long-term work. As one official pointed out, “The Administration never thought through where living-wage jobs were going to come from, thus the focus on individual workers failed. The rhetoric was ecosystem health, but with no congressional mandate, there was no basis for follow-through.” Most Initiative support traveled through agencies and programs that did not have the history or experience with creating woods or restoration-related jobs. Finally, the economics of family- or living-wage, ecosystem job creation never fully confronted the challenge of existing markets that, more often than not, involved lower paid migrant workers.

6b. The Jobs-in-the-Woods program promised workers that they would be the cornerstone of the newly emerging ecosystem worker or restoration industry. However, the restoration industry, which was to focus on long-term quality jobs, did not move beyond pilot projects.

Reasons for this are varied, but primary fault lies with agency entrenchment and institutional barriers—including inadequate market mechanisms—that prevented the marriage of land management to social, economic, community, and worker concerns. Without agency support, budget allocations, or ecosystem investment mechanisms to develop restoration work, creating an ecosystem restoration industry simply could not happen. Despite the unique opportunity that the Northwest Forest Plan and the Initiative presented for bringing these areas together, the agencies weren’t ready.

Expectations regarding the quality and number of jobs created through Jobs-in-the-Woods also went unmet. Although Jobs-in-the-Woods (JITW) created some short-term jobs, very few workers (particularly those that had gone through JITW training programs) successfully secured long-term employment. JITW contracts commonly focused on heavy equipment work that utilized few workers. Federal land management agencies had a difficult time

shifting from a low-bid orientation to contracting to “best value” contracting. Agency commitment to JITW waned as the agencies themselves downsized, and agency energy focused on meeting the biophysical requirements of the Forest Plan. Displaced timber workers who underwent training in ecosystem restoration faced a number of obstacles when trying to become independent contractors, including competition from a pre-existing workforce that was often underpaid (sometimes illegally so), lack of knowledge about federal contracting, lack of capital and business “know-how,” and, most importantly, the lack of long-duration, “bundled” contracts that required knowledge in ecosystem management.

Tribal JITW met with relatively greater success because of the direct linkages between program, employer, and land manager. Tribes such as the Hoopa and the Warm Springs are notable, though qualified, exceptions to NEAI-worker failures largely because they were not only the recipients of JITW funds, but were also the grant and program manager, trainer, employer, and owner and manager of the resource. Tribal success starts with land tenure; Hoopa and Warm Tribes had control of their land and were committed to restoration projects funded by the BIA, the tribe, and others. They were also committed to employing tribal members in the woods for extended periods. They provided loans when workers needed equipment or to pay a bond that would allow them to work. The skills developed among JITW trainees not only benefited the individual, but benefited the tribe as a whole by increasing capacity within the tribal government and allowing workers to obtain skills they could transfer to other jobs. The restoration of culturally relevant uses of natural resources helped to create safety nets for unemployed or underemployed tribal members and their dependents, as well as increased cultural capacity by advancing activities that served as important vehicles for transmitting lifeways and practices central to tribal cultural identity.

Workforce training and development for the most part ignored the “invisible” sector of the workforce and ignored the increasingly prevalent multi-sectoral income strategy of “forest” workers. The invisible sector of the workforce primarily involves Latinos, the fastest growing and typically

mobile segment of the workforce. Often working as tree planters and in various site preparation and other manual labor positions, Latinos, some of them undocumented workers, were largely left out of the training programs and other human capital skill building programs. We also learned that for Latinos as well as other forest workers, multi-sectoral income strategies were far more the norm than the exception. Forest workers move between forestry, agriculture, fishing, and the services sectors to make ends meet. Training programs that continue to prepare workers for a single occupation misunderstand this.

Policy Recommendations

- 6.a. Ensure that public proclamations about the intended objectives of the program such as the NEAI are tied effectively to support and mechanisms of implementation.*
- 6.b. Displaced and unemployed workers require comprehensive support including, among others things, basic job skills, health and human services support, and educational and retraining opportunities.*
- 6.c. In affected areas, eligibility requirements need to be closely examined and expanded to address secondary and tertiary worker needs and overall community health.*
- 6.d. Further develop and institutionalize best value and other alternative contracting mechanisms to better serve workers and ecosystems.*

7. Ecosystem management requires linkages between the biophysical and the socioeconomic components of plan implementation to be successful.

The Northwest Forest Plan gave managers the opportunity to marry the biophysical ecosystem components to the socioeconomic components. Although there were lines on paper and some institutional mechanisms available to facilitate the linkages, the union in reality was more problematic, in part because of strategic political reasons, in part because of inadequate staffing, in part because of entrenched organizational cultures, and in part because of the failure of participants to fully appreciate that implementing ecosystem management is as much about the human dimensions as it is the biophysical.

Prior to its closure in 1997, the U.S. Office of Forestry and Economic Development provided the main link between the Multi-Agency Command, the Interagency Steering Committee, the RCERT and the IAC (the FACA-chartered committee responsible for advising on the Forest Plan’s forest management activities). During the formative stages of the Initiative, state and regional CERT members had requested that the two groups be kept separate, partly because the forest management side of the Plan was so controversial. A lot of people feared that the economic initiative would sink by being tied to the forest management side of the Forest Plan. There was a deliberate attempt not to link them, and a feeling that this was the only way it could be done politically. Later, however, many of those interviewed would express frustration at the separation, indicating, for example, that “we realize now that we should have started the NEAI with more integration and communication between the ecosystem management and economic adjustment programs.” Many believed that a better job could have been done if the two parts had been more closely coordinated at the beginning, though the entrenched agencies’ cultures and separateness of, for example, national forest management and rural development and rural community assistance would have made this a challenging task.

There was a lack of clarity about the boundary lines between the two sides of the Plan, confusion about reporting lines, and uncertainty about who was leading, the Portland Office or the MAC. The two sides of the Plan were on separate tracks. Departments such as the Department of Labor, conscientiously tried to separate the forest management plan and the socioeconomic issues. The Department, while receiving praise from some for doing its part in terms of running its traditional retraining programs, was perhaps one of the more disengaged at the Forest Summit. This continued during the Forest Ecosystem Management Assessment Team (FEMAT) process when the Department of Labor almost pushed the community assessment off the table, arguing that the jobs component was being taken care of by them in Washington, D.C. Thus, when the leadership of the agencies didn’t carry through on the integration themes sounded by the President and Vice-President

at the Forest Summit, this sent signals to agency personnel to continue administering their programs in the traditional way. In fact, while other agencies devolved responsibility and decision-making to their field representatives in the West, the Department of Labor continued to require grant approval in Washington, D.C. For other agencies integration was made more difficult by agency cultures and the cultural divide between ecological and social sciences: agencies such as the Forest Service and Fish and Wildlife Service continued to struggle with how to mesh ecological and socioeconomic issues into their management and research activities. Finally, there was the political reality that linking the two presented problems for workers and other people in communities. Buying into the processes for getting economic assistance was one thing, giving the perception of buying into Option 9 was quite another.

In the area with obvious overlap, Jobs-in-the-Woods, the lack of the coordination contributed to a mismatch between the workforce retraining programs and the economic restructuring funding. Agencies pursued work in areas such as watershed analyses in wilderness that didn't translate into jobs for workers, or focused on short-term, high intensity work that didn't provide continuous job opportunities or workers with the opportunities to broaden their views and skills.

Eventually two RCERT members served as ex-officio members of the Intergovernmental Advisory Committee (IAC), which assisted in highlighting the socioeconomic aspects of the Forest Plan. The participants tried joint meetings of the IAC and RCERT, but that still didn't work. Despite the conceptual linkage between the Forest Plan and the Initiative and the hopes of some, the MAC had no direct link to the issues on the agenda of the IAC and the MAC had no formal links to its Forest Plan counterparts.

Once separated in design, developing relationships with the ecosystem side of the Forest Plan became one of the most troublesome aspects of the Forest Plan and the NEAI. As one astute Forest Service staffer lamented, opportunities for demonstrating that ecosystem conservation could be instrumental and complementary with economic development were thus circumscribed.

Policy Recommendations

- 7.a. Long-term sustainable stewardship of the land requires agencies to work more collaboratively with other agencies and groups closer to the ground and to work in ways that transcend boundaries when necessary to assure more integrated human and resource stewardship.*
- b. When significant changes are made in federal natural resource management, socioeconomic support needs to be treated by the federal land management agencies as on par with support for new approaches to managing the biophysical resources within their jurisdiction.*
- c. Resource management agencies such as the Forest Service need to far more effectively integrate land management and human and community well-being objectives; a program of ecosystem stewardship that simultaneously advances human socioeconomic health, community well-being, and resource improvement can and should be advanced.*

8. The rationales behind a program of economic assistance, the theories of community development and policy guiding assistance, and the boundaries within which agencies and administrators must work need to be clearly and realistically communicated so that public expectations don't exceed realities.

The job loss estimates associated with changes in the federal timber program varied widely. But regardless of whose estimates are used, there would never be enough money. The notion that the Initiative could unilaterally fix the complex problems that preceded the NEAI—including dramatic industry restructuring (which also resulted in a direct loss of timber harvesting and processing jobs), significant cutbacks of staff and resources in the land management agencies, and a host of other infrastructure problems inhibiting economic development in the affected areas—was, as one interviewee asserted, “preposterous.”

After a highly visible and widely-touted Forest Summit, the Administration wanted to, and had to, deliver. The initial announcement came with high expectations about the kinds and amounts of assistance that would be available, and included assumptions about legislative initiatives that were never funded.

Added to this were program recipients so hungry for a resolution to their problems that they sometimes heard what they wanted to hear, further raising already unrealistically high expectations.

Initiative publicity led workers and other community residents to believe that they could easily access Initiative dollars. The main goals of the Initiative, as related by its public relations efforts, were 1) economic and technical assistance for workers and their communities, and 2) streamlining of government. Frustration rose in Weed, California and elsewhere when, applications from workers for Initiative support were rejected because the requests did not fall into the categories of agency funding. Taken together, the Initiative goals, along with the absence of explanations about how difficult and lengthy the process of economic revitalization can be, set the foundation for unrealistic expectations of the pace of the Initiative's progress. In hindsight, unreasonable expectations set up by President Clinton's initial remarks, among others, coupled with the distrust that many timber-reliant communities feel for federal bureaucracy, made unfavorable press treatment inevitable. Important also is how theory informs the kind of support offered. The majority of economic assistance to communities came in the form of loans. The fact that 60 percent of NEAI funds were loan dollars was a disappointment to communities.

The theories guiding the economic development program were never made explicit. Where and how would economic dollars be most effectively spent? How would long-term economic development objectives be balanced with short-term needs? If there weren't enough dollars, what kinds of expenditures and projects might provide the best catalysts? Should the focus be on individuals, communities, or counties? Should dollars go to areas that are engines of growth, and where jobs can more easily be created, bypassing areas that might be more seriously affected? What kinds of mechanisms link local projects to broader, regional issues, to ensure, for example, that too many industrial parks don't create an abundance of supply? Can individuals expect assistance to enable them to stay in their communities, or is assistance based on the premise that workers will move to areas and into fields where jobs are created? Not only were

there differences of opinions on these questions, but the kinds of assistance made available to the Initiative also dictated some of the answers. For example, since approximately 60 percent of the Initiative dollars came through USDA Rural Development, the bulk of the funding was for infrastructure projects, such as the improvement of drinking water or wastewater systems. While it was recognized that "these projects will improve the distribution of services and quality of life in rural communities," it was also recognized that "large infrastructure projects did not provide immediate relief for the economic hardships faced by people formerly employed in the timber or wood products industries" (Donoghue et al. 1999:61).

There was also confusion and heated debate over how much aid was in the form of "new" dollars, i.e., money that would have come to the region solely as a result of the NEAI, and "old" dollars, i.e., money that would have come regardless of the Initiative. Initially there was confusion about how to apply for projects and project prioritization processes. Communities were frustrated to learn that not all of their projects would be funded, and that much of the money came in the form of loans and involved obligations and local cost shares, which many could not afford. States and communities who listened to early "in-draft" presentations, for example, heard "new dollar" and grant dollars; when those weren't forthcoming, people felt betrayed or at least confused. Expectations were built up at the Initiative's announcement that program dollars would be more flexible than they turned out to be (due in large part because Congress didn't pass the legislation it was asked to pass). Finally, there were expectations that the Initiative would directly and immediately create new jobs for displaced workers. Even when dollars were available for worker retraining, these programs were hampered by the lack of human services funding—funds that could be made available to support workers and their families during the retraining period. Inadequate communications between Washington and the field, e.g., the MAC and the RCERT, added to the confusion about the types and amount of assistance that would be available.

Expectations that displaced workers would get money were complicated by the fact that, after so

many years of declining timber harvests, many of the displaced workers had already left by the time the Forest Plan and Initiative were put in place. While much of the initial publicity surrounding the Plan focused on the worker, in reality the work of the CERTs focused not on workers, but on businesses and communities. Communities received the lion's share of the attention, displaced workers didn't. A lot of effort went into sustaining communities, and if communities decided they needed an industrial park or wastewater facility, workers didn't directly get the benefits.

Moreover, economic development specialists argued that if workers wanted to stay employed, they often would need to leave their community of choice, a situation analogous to the out-of-work auto worker; there is no choice but to move. However, local community representatives were critical of such positions, insisting that "it will kill our town to assume people should move."

Policy recommendations

- 8.a. *Initiatives at the scale of NEAI require a coordinated communications strategy to inform the public and the agencies what the program is and is not, in order to help avoid generating unrealistic expectations.*
- b. *Agencies need to be clear about the theoretical underpinnings of their work and clearly communicate this information.*
- c. *Programs that rely on additional programs and appropriations need to make this clear and make links to those responsible for implementing and supporting these programs.*

9. Industrial recruitment/expansion strategies were marginally successful; successful projects more often than not involved far more than investment in industrial development projects.

In only one-fifth of the case study communities did industrial recruitment/expansion/retention projects, which accounted for 20 percent of the total NEAI expenditures in the case study communities, result in an unqualified success. A total of two-thirds resulted in partial successes—that is,

some jobs for some period were generated—though some of these industrial parks are no longer supporting any businesses. Success of these kinds of projects resulted from some well-understood principles and some less well-known reasons. Proximity to markets and transportation corridors proved important, although places off the beaten paths have succeeded. Multiple leaders and good leadership skills for securing grants and managing and marketing the projects proved essential. Securing an anchor tenant—a "bird-in-the-hand"—meant that an industrial park would have at least one tenant that would provide jobs immediately. But as residents of Sweet Home, Oregon and Shelton, Washington learned, development of the industrial park offered no guarantee the bird would stay. While none of the aforementioned reasons guaranteed success, all were identified as increasing the likelihood of it. Simultaneously developing human capital (leadership and other skills), fostering collaborative work in the community (social capital), along with developing open communication with citizens about the project increased the likelihood of successful industrial recruitment/expansion. Lastly, it is important to note that industrial development projects are a long-term investment, and that many such projects will not realize a return on the funds and energy invested in them for 8-10 years.

Policy Recommendations

- 9.a. *Investment in physical infrastructure needs to be accompanied by investment in social and human capital development associated with industrial recruitment/expansion.*
- b. *Investment in social and human capital associated with industrial development is particularly effective when focused on strategic planning, marketing, and management.*
- c. *Community leaders need to be educated about the range of industrial development approaches possible, including their advantages and shortcomings in specific contexts.*
- d. *Local industrial recruitment needs to be at minimum cognizant of, if not directly linked to, the county and regional industrial strategies.*

- e. *Industrial development planning and implementation should encompass a mix of local business retention and expansion and recruitment of businesses from outside the area.*
- f. *Where possible, communities can benefit from linking industrial development planning and implementation efforts closely with community college and university training programs.*
- g. *Industrial development funders need to structure programs with sufficient flexibility to allow communities to address all aspects of planning and implementation. In particular, funders need to consider restructuring their programs along the lines of the Forest Service Rural Community Assistance Program, which is one of the few programs currently available for rural communities to acquire the funds needed to support environmental impact and assessment work, pre-project engineering and design, and gap financing.*
- h. *Due to the long-term nature of many industrial development projects, monitoring programs need to be structured in ways that permit the tracking of these projects for 8-10 years.*

10. Social and human capacity-building are key elements in reaching affected communities and improving well-being.

Perhaps one of the most powerful lessons of the NEAI is the recognition of the importance of social, human, and cultural capacity-building—“soft infrastructure”—development for project and, ultimately, community success. “Soft infrastructure projects,” consisting of leadership development, community-based planning and visioning, and building networking skills and cultural capital were vital for creating, leveraging, and succeeding with the entire array of NEAI projects. Leadership development, networking, community visioning, and strengthening local culture (part of human, social, and cultural capital) can make other projects work and, indeed, are often essential to ensuring project success. Recognizing the importance of soft infrastructure development and the need to pick more than just “low hanging fruit,” agencies invested in human, social, and cultur-

al capital-building because it was the kind of support that catalyzed other project work. Several of the early evaluation studies, recognizing that CERT support of capacity-building projects had positive effects which enhanced local community capacity to undertake community and economic development activities, confirmed this. Offering dollars alone is insufficient. Communities needed development of the human skills and social capital to take advantage of the other kinds of assistance. Without an emphasis on building these kinds of resources and skills, only the most advantaged of the disadvantaged are able to respond. As one state CERT member indicated:

With or without NEAI, the challenge has been to build [human, social, and cultural] capacity. It’s not just leadership training. It involved providing opportunities, enhancing skills, and accessing resources for project funding. At the same time, it is important for capacity to be built such that community leaders look at local budgeting to sustain a project. The Initiative hit on capacity issues. There was the realization that local capacity determined to a large extent which projects were funded.”

Despite the recognition by many of the importance of these kinds of projects, the portion of NEAI funds allocated to this work was limited. One reason for this was that agency programs supporting this kind of work were limited. Some of the project dollars that were available flowed to lower-capacity communities to help them develop strategic plans, conduct community visioning activities, and work together, but they did not do so uniformly. In the case study communities only four percent of the total NEAI investment was devoted to “soft infrastructure projects.” Though the percentage of overall dollars spent was small, these projects totaled 17 percent of all projects, or one out of every six projects. However, this total is somewhat deceiving.¹ The distribution of these types of projects is highly skewed, with 70 percent of the projects landing in just seven communities. Six communities implemented no projects

1. Because of the case selection process, study communities likely have proportionately more soft infrastructure projects than those that were not evaluated.

designed explicitly to enhance human, social, or cultural capital, and nine communities had only one soft infrastructure project.

The Forest Service's Rural Community Assistance Program and the Economic Development Administration (and the state's old growth diversification funds and other state and local funds) supported the bulk of the soft infrastructure projects. Through the Rural Community Assistance program, the Forest Service organized grant workshops and gave numerous small grants that facilitated soft infrastructure development. The Economic Development Administration, among other projects, augmented grants to economic development districts and the tribes for technical assistance and human and social capacity-building. At a regional level, the USDA funded the Americorps capacity-building program and the Resource Assistance for Rural Environments (RARE) program that enabled University of Oregon graduate students to assist communities in developing strategic plans as well as work on a variety of other projects.

Skamania County offers perhaps one of the most powerful examples of an effort to develop human, social, and cultural capacity as part of all of its community development work. They did so by ensuring wide-spread and ongoing community input into economic development planning, project design, and project implementation. The model is one of the key factors in the success of southern Skamania County projects. The process has been adapted over the years to the point where it has become a normal part of doing business in Skamania County's economic development arena. At the same time, the community also developed a model process for ensuring close and ongoing communication between planners, community members, and outside consultants.

Together these two processes (See figure on page 92) have enabled the community to construct a very powerful project planning and implementation system that allows strong disagreements to surface early on in projects, provides forums for modifying projects to mesh better with community needs, and ensures that projects actually get completed in a reasonable amount of time. Community

support for many of the projects is high, in large part because people are kept informed throughout the process and can see concrete results. The ability to follow through is doubly important in that Skamania County's reputation as a place where people get things done plays an important role in the willingness of funders to commit a large amount of resources to complex and long-term projects that many communities would have difficulty carrying to a successful completion.

High capacity communities are those that have a combination of physical and financial resources, along with the skills and willingness—the softer skills/infrastructure—to work together to successfully address local needs and improve well-being. These communities were typically the first to benefit from the NEAI. Many of these communities had prepared a strategic plan (often as a result of previous federal support) and used it as the basis for project development or project prioritization, had proposals sitting on the shelf ready to go, or could hire consultants to help them prepare proposals. Smaller tribes and tribal rancherias, communities that had not engaged in any strategic or economic development planning, and a number of hard-hit communities, lacked the capacity to quickly develop and implement action plans and strategies that incorporate the diversity of interests and needs in a community and found themselves at a disadvantage.

NEAI interventions that concentrated on building physical and financial capital without concomitant attention to strengthening the other constituent capitals were more likely to fail. While focusing on building physical and financial capital may work in communities that already have relatively high levels of organizational capacity and social, human, and cultural capital, it will be relatively ineffective in communities without those resources. Oakridge offers a particularly poignant example of how investment in physical infrastructure failed because of social and cultural divisions in the community. Whether the industrial park could have succeeded—or may succeed in the future—has far less to do with securing additional physical or financial capital, and far more to do with stemming the decline in social and cultural capital.

Skamania County’s Model for Participatory Economic Development

- The Community Action Team chooses a lead agency or department for the project
- The lead agency forms a Task Force or Steering Committee made up of representatives from local government entities and assorted stakeholders
- The lead agency, working with the Task Force, hires a consultant who works closely with the lead agency planner and the Task Force or Steering Committee
- The lead agency incorporates multiple and regular opportunities for broader public participation in assessing project design and implementation

Skamania County’s Model for Ensuring Project Completion

- The lead agency planner sets up frequent and regular meetings with the consultant
- The lead agency planner together with the Task Force or Steering Committee conducts monthly evaluations of project progress
- If the project is complicated, controversial, or costly, the lead agency planner and the Task Force schedule a public meeting to discuss the project during the early part of the design phase and hold periodic public meetings throughout the project.

Capacity-building focused on human, social, and cultural capital building proved vital for expanding project beneficiaries and helping the Initiative reach farther, and especially to those in need. This appears to be one of the more enduring lessons emerging from the assessment.

Policy Recommendations

10. a. *Soft infrastructure development needs to be closely integrated with hard infrastructure development, rather than being treated as a separate strategy.*
- b. *Support for soft infrastructure development needs to be long-term and ongoing in nature, aimed at continuous capacity-building and enhancement.*
- c. *Soft infrastructure support through programs like the Economic Action Program/Rural Community Assistance Program of the Forest Service and through the Economic Development Administration are unique and need to be maintained and funded.*

d. *Development planning and implementation needs to be structured in ways that facilitate broad and ongoing community involvement. For example, planners might consider replicating the Skamania model of participatory community development and/or implementing other participatory models.*

e. *Since so many programs utilize number of jobs created or saved as a criteria for funding projects, agencies and scientists need to develop methods for assessing how soft infrastructure development contributes toward job creation and retention.*

11. Investment in “hard” community (physical) infrastructure such as water and sewer systems and community centers proved vital for many rural communities.

Investment in hard infrastructure projects proved valuable for communities with outdated or malfunctioning water or sewer systems. Communities with physical infrastructure limitations, particular-

ly systems out of compliance with state and federal regulatory agencies, are often prohibited from advancing other forms of community building and development. Bringing such systems back into compliance was beyond the means of some communities. Community facilities also proved important for a number of communities, although study limitations prevented an in-depth comparative analysis. Short-term assessment of these projects is difficult given the length of time some projects require and the limited time frame of this assessment.

Loan programs constituted an important and generally successful component of the NEAI. The NEAI provided businesses with enhanced access to a variety of loan programs targeted at small and micro-level enterprises. Revolving loan funds played a particularly important role in enabling very small and micro-level enterprises to obtain access to affordable credit. The most successful revolving loan programs were those that included a variety of funding opportunities and a strong, ongoing effort to provide technical assistance to businesses prior to, during, and after the loan application process. The community case studies indicate that loan programs with the flexibility to disburse smaller loans were particularly important in helping micro-enterprise owners to get started and maintain their business operations.

Policy Recommendations

- 11.a. *New financing tools beyond traditional loans for water, sewer, and community facilities need to be developed in order to mitigate local indebtedness. This is particularly important for lower capacity communities.*
- b. *Conflicting guidelines and complex formulas need to be reconciled across agencies for infrastructure financing programs.*
- c. *Agencies need to ensure that a broad variety of loan and grant programs are available to rural communities so as to encompass the range of enterprise needs present in rural communities.*
- d. *Continued support for micro-loan programs is critical to support small entrepreneurs that are common in small communities.*
- e. *Loan programs need to be structured in ways that*

encourage partnerships among lending institutions and business support services.

12. To a very large extent, the NEAI succeeded, at least in the short-term, in its goal of changing the culture of federal and state agencies in their approach to economic development—that is, shifting from program-driven priorities to a holistic problem-solving approach for communities.

The NEAI provided an opportunity for a holistic, community-based approach to development, as opposed to communities identifying their needs and finding agencies with programs to fit their needs. The NEAI's impact was not simply a function of the dollars spent, but of individuals within the agencies who were willing to try and understand a community's vision and provide the support and resources necessary to carry out a locally-directed plan. The NEAI at its best was a collaborative government for the purposes of improving community health and well-being. The degree to which this occurred, however, varied. A number of agencies simply lacked the capacity to take on this new approach as completely as the NEAI promised and communities needed it—that is, they lacked the staff that could provide technical assistance to communities and who could also understand the “big picture.” This is because the agency staff-community engagement was hampered by limited funding, the increased challenge for those doing the work, the enormous demands placed on these workers, and the fact that the community level grant prioritization process was separate from higher levels of prioritization and funding.

Those that operated at the institutional level felt strongly that a major accomplishment of the Initiative was to place power and authority at the local level. But interestingly, despite the prioritization of projects at the sub-county, county, and regional levels, community interviewees recognized that project prioritization was only one step in the process. While the local prioritization of projects engendered engagement unlike any before, the agencies could still pick and choose projects to fund. The fact that some of the highest rated projects were not funded alienated some and represents a point of friction between local priorities and agency programmatic requirements. Decision-making

was more inclusive as the processes gave communities a greater voice, but power and authority remained beyond communities, as project funding decisions were determined by county, state, and federal officials.

Despite these issues, however, the salient point remains: the Initiative represented a new and innovative way for organizing and implementing government programs. Whether it was the collaboration of the state CERTS, the Regional CERT, or with communities, fundamental changes occurred in the way agencies and layers of government networked and partnered to work out issues and to both access and deliver programs and services.

Policy Recommendations

12.a. *Encourage and reward holistic/integrative problem-solving approaches; ensure staffing and support.*

b. *Agency staff evaluations should include partnering, leveraging, and contracting components.*

13. Evaluation mechanisms and feedback loops need to be built into policy design if adaptive learning and management is to occur program-matically within the NEAI; the NEAI lacked substantive, large-scale “adaptations” or mid-course corrections because people in communities and subsequently the state and regional Community Economic Revitalization Teams wanted to assure that all project dollars went to workers and communities and not towards monitoring the Initiative.

Despite the existence of site specific or narrow issue-specific evaluations, no comprehensive or systematic monitoring and evaluation program was developed for program expenditures or socioeconomic effects. On the NEAI side of the Northwest Forest Plan, adaptive management was not implemented—and could not be considered without monitoring. While the Implementation Plan had explicitly called for a tracking and reporting system “to monitor the commitment and obligation of funds, process improvements, removal of impediments, project and program outcomes, as well as the sharing of innovative ideas and approaches among the states to increase the awareness on investment decisions in an effort to

avoid duplication,” lack of staffing at the RCERT level hindered the accomplishment of this tracking function (Tuchmann et al. 1996:87).

Even though the signed interagency MOU had as its purpose improving “interagency coordination in order to enhance the delivery, tracking, and *evaluation* of economic adjustment assistance to workers, families, businesses, and communities” (emphasis added), there were significant problems in meeting the evaluation charge. Donoghue et al. (1999:62-63) identified this problem previously:

...the NWEAI was not designed with a mechanism (fiscal or administrative) to monitor and evaluate the implementation and outcomes.... While the NWEAI was designed to be flexible and innovative at an administrative and policy level, it did not include a mechanism to allow for a comprehensive evaluation of the program. An initiative-wide accounting system would have contributed to this...

13.a. State and federal Initiative record keeping differed from agency to agency and between states, and state CERT project information was often incomplete. This made it difficult to access information about investments, to monitor Initiative projects, and to facilitate adaptive improvement.

State and federal agency record keeping was poorly coordinated, project record keeping was insufficiently centralized, and resources were inadequate for database maintenance. Despite the Memorandum of Understanding and annual appropriations, the problem of inadequate database maintenance was due to (though not limited to) the interagency nature of the Initiative, the commitment by the SCERTS and RCERT to assure that Initiative dollars were dedicated to projects, the separation of the JTPA and Jobs-in-the-Woods funding from SCERT prioritization processes, and, for some agencies, the confusion over what constituted Initiative investments. Adaptive management—the hallmark of the Northwest Forest Plan—requires, at minimum, accurate record keeping and data accessibility, neither of which were part of the NEAI.

One of the reasons evaluation and a commitment to systematic record keeping and evaluation and monitoring was insufficient is because of how difficult this is. Social science evaluation processes are guaranteed to generate dispute because of the lack of agreement regarding methods and the implicit value orientations of scientists, which inevitably affect assessment method and work. Another reason is the challenge and expense of centralized record keeping for what was largely a decentralized, “bottom-up” process.

The few evaluations that did occur, while not comprehensive, provided useful information to the Initiative’s participants. For example, Rural Development provided funding for Forest Service researchers to examine rural development projects in western Oregon that were funded during fiscal years 1994-95 (Raettig et al. 1996). At the request of Congress, the Office of Forestry and Economic Assistance prepared a report on the history of the Forest Plan, its major accomplishments, and areas where improvements could be made (Tuchmann et al. 1996). Workshops also brought together participants to share lessons and perspectives (Regional Economic Revitalization Team n.d.; Raettig et al. 1998). The Regional and State CERTs produced annual reports that did shed light on some Initiative issues. The State of Oregon conducted a descriptive analysis of investments between 1994 and 1999 using its SCERT database to determine if NEAI dollars were invested in most affected communities. This analysis resulted in some modifications of the SCERT process. Washington State developed measurement indicators to facilitate modification. Though these and other analyses were used to modify some processes and procedures as well as to share experiences and discuss where problems might be occurring and where opportunities may exist, the lack of a systematic or larger-scale assessment or linked analyses meant that changes, when they did occur, were limited; that is, they were site specific, typically single-agency specific, or limited to a state and a narrow issue, as the broader and enduring lessons and large-scale institutional adaptive modification were lost.

13.b. Establishing a separate fund for monitoring and developing a third party and participatory

research strategy that engaged locals in the evaluation would have lessened resistance to monitoring and assessment.

In the early years of the Initiative, the priority to assure that funds went to community projects trumped investment in evaluation of the Initiative. RCERT members reported that local people and SCERT representatives were unequivocally opposed to allocating Initiative dollars to monitoring, assessment, and evaluation. Instead, they wanted to make sure that the maximum amount of money reached the “ground.” This SCERT lack of support for monitoring and evaluation, which had no legal basis, is yet another example of the informal power of the SCERTs. Some RCERT members expected additional support for monitoring and assessment, but little was allocated.

If an entirely separate fund of dollars had been established at the outset for the purposes of monitoring and evaluation, or if a half to one percent of total project dollars had been set aside for monitoring and adjustment, there would likely have been less SCERT and local resistance (one percent of \$1.2 billion dollars would have resulted in just under \$5,000 for monitoring per NEAI project; a community case study for this project, covering a dozen and more projects, typically cost less than \$10,000). Engaging local participants in the evaluation process through participatory research would likely have created opportunities for mutual linkages between researchers and local recipients of the assistance. As one respondent remarked, “there isn’t an evaluation process that is ever going to outstrip the ability of people inside their own communities to intuitively say this is working or this isn’t working.” Inviting communities to engage in evaluation could have avoided the limitations of a static monitoring system. A good participatory research effort would have likely led to increased financial and other support. Adaptive management simply cannot occur without monitoring and evaluation. By not engaging in systematic evaluation as the Initiative unfolded, critical data and perspectives were lost, along with opportunities for mid-course learning and improved effectiveness of NEAI expenditures.

Policy Recommendations

13. *Initiatives and programs like the NEAI require both established mechanisms and funding to assure that systematic and programmatic evaluations are conducted.*

- a. A monitoring process needs to be established at the outset of a program, otherwise it will be much harder to implement later.*
- b. A funded and staffed clearinghouse is needed to accurately track programs and outcomes.*
- c. Mid-term (or more frequent) program evaluation is necessary to build on lessons learned and improve program work.*
- d. Socioeconomic and program assessment methods need to be improved to reduce conflicts associated with obtaining commitments to support assessments and conducting them.*
- e. Program monitoring and assessment need to link initial objectives to program implementation and on-the-ground (and community) quantitatively and qualitatively assessed outcomes.*
- f. Initiatives like the NEAI need monitoring and assessment dollars dedicated at the outset of the program to avoid conflicts and resistance to doing this work. It must be considered part of the cost of doing the work. Dedicating one half to one percent of all project dollars to monitoring and assessment represents a good starting commitment.*

14. For many communities in the Northwest Economic Adjustment Initiative region, the Initiative

support represents only a start relative to need; more assistance is needed, particularly for those communities that had low capacity when the Initiative was launched.

Serious economic challenges remain for a number of communities in the Northwest, particularly for many of the smaller and isolated communities. Future development efforts, whether they are focused on soft infrastructure development or hard infrastructure development, need to continue to address the challenge of building community capacity and improving well-being over the long term. Continued state and federal support will be needed for many communities to continue building and transforming their economies for future prosperity.

Policy Recommendations

14. *Be prepared to be flexible with time commitments—project effects often take far longer than projects themselves to be realized.*

- a. “Ramp down” strategies are needed, in which support is tapered off gradually rather than being cut off all at once.*
- b. A number of communities need continued support; some of it is to continue badly needed basic capacity-building.*
- c. Long-term monitoring mechanisms need to be instituted so that communities can be assessed and reassessed and projects can be tracked over their full life-cycle, rather than in just the initial stages of development and implementation.*