



Community and Economic Development in North Carolina and Beyond Blog: Local Food Systems and Economic Development: What's the Measurable Link?

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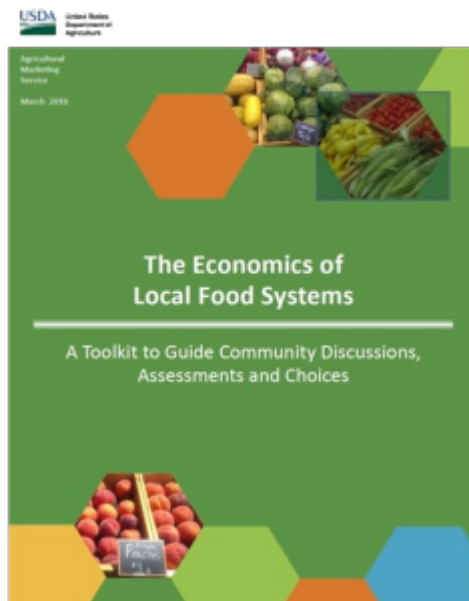
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There is growing interest in cultivating and supporting local food systems in North Carolina. In previous posts, School of Government faculty member Rick Morse has addressed “Why Local Governments Should be Thinking About Local Food Systems” and examined the role of local food policy councils. Most recently, Professor Morse has discussed the network of organizations that are expanding the state’s capacity to promote local foods. Local food systems are purported to be a promising way to promote better outcomes in communities related to public health, well-being, environmental sustainability, vitality, and economic development. Cabarrus County, NC is an example of a community that is embracing local foods as part of its community and economic development strategies.

As more and more communities look to leverage local food systems for economic development, it becomes increasingly important to measure and quantify how this approach actually affects local economies. According to at least one researcher, “There has been a lot of hope, but little evidence, that local food systems can be an engine of economic growth in communities.” As such, we are getting to the point where we need defensible answers to the following questions:

1. What are the concrete economic and fiscal impacts of local food systems?
2. To what extent do local food systems produce desirable economic outcomes such as job creation, new private investment, new business enterprises, and increased tax revenues for local governments?
3. How do local food systems contribute to other sectors of a local/regional economy?



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en previously about the various methods and models available to

estimate the economic and fiscal impacts of economic development projects. A recently released toolkit produced by the USDA Agricultural Marketing Service demonstrates how some of the analytical tools I discussed can be used to determine the linkages and contribution of local food systems to local economies. In particular, the new toolkit, titled *The Economics of Local Food Systems*, explains how input-output analysis and economic multipliers provide a framework for quantifying the economic benefits and value of local foods to a community’s or region’s broader economy.



A local foods approach to economic development has a certain appeal for many communities. Public officials, community leaders, and economic developers rightly want to know more about how targeted investments in local food systems can be expected to produce tangible economic outcomes that will boost prosperity. The new USDA Toolkit not only offers guidance in using analytical methods and models to quantify economic impacts, but it also suggests ways to:

- Frame the process of conducting a community economic assessment
- Define the parameters of a local food system
- Use secondary data sources and generate primary data
- Engage the community with the assessment process and data