

access between the county and Portland is limited to two interstate bridges. Communication access is hampered by a different area code and long distance charges. Politically, Clark County is connected to Olympia and the rest of the state of Washington.

Historically, Clark County has been a blue-collar community, with a diverse manufacturing base. The timber industry has always been present in the county but has not played a dominant role since the turn of the century. Besides paper and lumber, the county has been the site of food processing, textiles, apparel, aluminum, and machinery. The Port of Vancouver has also played a key role, both as a transportation hub and an industrial landlord. Employment in some of these "traditional" manufacturing industries has declined somewhat in the past few years due to employment reductions and closures, and future closures should not be ruled out. In general, however, new investment has far outpaced shutdowns, and manufacturing employment has grown substantially.

Over the past 20 years, there has been a tremendous surge in high technology investment in the county. It began in the late 1970s when Tektronix sited a branch plant. Tek's employment peaked at about 2,000 before the company spun off some operations and then closed down its Vancouver operation in 1990. Other large branch plants were established during the 1980s, many of them Japanese. High tech employers were lured by low land and energy costs, plenty of available water, a skilled and growing work force, excellent K-12 and community college education and training installations, proximity to the Portland International Airport (Vancouver and Camas are closer than Hillsboro), a Pacific Rim locale, and access to recreational opportunities.

The future should bring continued maturation of the county economy and increased integration with Portland. Among the more prominent developments, Washington State University moved into a new campus just north of Vancouver in June. Reclamation of the Columbia River waterfront for recreational use is well under way. The city of Vancouver recently bought the former Lucky Brewery and surrounding blocks downtown; the old brewery will be razed, with mixed-use development in the offing. Finally, high tech investment and expansion continue to make the headline. A case in point is the large facility planned by Taiwan Semiconductor (doing business as WaferTech) in Camas, which is

expected to add 800 manufacturing jobs to the county's employment base.

Along with Portland, Clark County faces a major challenge in determining how to handle growth. At this point growth is occurring faster than local governments can plan and build infrastructure. The bridges crossing the Columbia are nearing capacity, and Clark County voters recently soundly rejected funding a light rail connection with Portland.

Cowlitz County

Cowlitz County historically has had large resource-based economies that relied on timber. Although the big shakeout of the industry that occurred in the early-to-mid 1980s had a significant effect, timber still remains the biggest industry. Its employment fell dramatically but has since stabilized at new levels, and there has been some diversification of industry within manufacturing, as well as significant growth in the trade and services sectors.

Because the economy has stabilized in recent years, the population is again increasing. During much of the 1980s, out-migration exceeded in-migration, and the overall population in the county declined. Since about 1990, that situation has reversed and the population is growing again. In 1999, the population of Cowlitz was estimated at 94,100.

The labor force has been growing much like the population, and unemployment is at its lowest level in years. In 1997, the rate was 7.1 percent in Cowlitz, the lowest since 1990. Even so, there are proportionally more unemployed people in the area than there are statewide, where the rate is down to 4.8 percent.

There has been good growth in non-farm employment following the 1990-91 national recession. Since 1992, Cowlitz County has added over 3,000 jobs. Looking at the area as a whole, most of the growth has come in trade, services, and government. This growth in non-manufacturing activities and the earlier, quite sharp declines in the timber industry have not sufficed to dislodge manufacturing from its position as the largest industry sector in the county. Cowlitz County has over one-fourth of its employment in manufacturing. Statewide, the share is 15 percent.

Cowlitz County has withstood the turbulence of the restructuring and decline in employment and wages of the timber industry in the 1980s. The area is regaining population—in-migration is up—and timber remains a large, solid foundation of the economy. Relatively low unemployment and gains in the

number of non-farm jobs make the labor market picture quite a bit more attractive than it has been for quite some time. Wages have been stagnant, in real terms, but are no longer declining. At the moment, the area is doing well. Projections to 2001 indicate that Cowlitz County will have moderate growth overall with strong growth in non-timber related manufacturing, construction, services, and the finance, insurance, and real estate sector.

Skamania County

Geography and politics have greatly influenced the Skamania County economy. Ninety percent of the county is forest land, and 80 percent of the county is part of the GPNF. For decades, the county economy rested on timber, directly through logging and milling and indirectly through USFS employment. Timber-related employment began to decline in the 1980s, dropping from 820 in 1979 to 620 in 1988. At that time, harvest restrictions were placed on federal lands, limiting local timber supply and raising log prices. Timber harvest from federal lands dropped from an average of 250 million board feet to less than five million in 1996. Scarce timber and competition from chipboard substitutes led to the closure of Stevenson Co-Ply, the largest mill remaining in the county, in early 1992. The job loss was accompanied by loss of savings because the mill was a co-op. By 1993, only 180 timber jobs remained in Skamania County, and federal employment has fallen from a peak of 420 to only 240 in 1996.

While most of Skamania County is in forested, mountainous terrain, the bottom strip of the county borders the Columbia River Gorge. The gorge has influenced the county economy in two major ways. In the 1978-1982 period, construction of a second powerhouse at Bonneville Dam boosted county construction employment, chiefly through construction workers commuting into the county. This had the unfortunate side effect of skewing county labor force estimates in the 1983-1989 period; through use of a faulty commuting ratio, the labor force size was under-estimated and the unemployment rate overestimated.

Second, in 1986, about 15 percent of the county was made part of the Columbia River Gorge National Scenic Area (CRGNSA). Creation of the CRGNSA, while placing some restrictions on development in the gorge area, has helped augment the county's growing tourism industry. Federal subsidies helped build the Skamania Lodge, a conference center/destination resort, now the largest private sector