

Local Economic Development and Growth of Bioeconomy

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Biofuel Industry Impacts on Local Economic Development

- **Biorefinery impacts and local economic growth**
- **Community development and a growing bioeconomy**
- **Environment and amenity tradeoffs in local economic growth**

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Local Economic Impacts
Impacts of Biorefinery

- **Jobs as measure of local economic impact**
- **Biorefinery scale matters**
 - 50M gal plant – 36 direct jobs
 - 100M gal plant – 46 jobs

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Local Economic Impacts Impacts of Biorefinery

- **Rural vs. urban communities**
 - Biorefinery job creation multiplied 3-4 times
 - Impacts larger in rural than urban areas
- **Biomass refinery**
 - 70 M gal plant – 70-79 direct jobs
 - Increased feedstock handling jobs

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Economic Impacts of Biorefinery on Local Economy

- **Ethanol production may displace livestock jobs**
 - 100M gal plant - 36M bu corn - 46 direct jobs
 - 3.7M hogs - 36M bu corn to finish - 100-240 direct jobs
- **Net job impacts of biofuel expansion**
 - Expanded biofuel production may create and cost jobs
 - Estimate net job impact using large global model

FAPRI Market adjustments Trade flows

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Economic Impacts of Biorefinery on Local Economy

- **Impacts on Iowa economy**
 - Larger the area considered, smaller the impact of new biorefinery. But, aggregate numbers do matter
 - 1,800 direct jobs; over 400 added in last year not including construction
 - 6,000 jobs created through multiplier impacts

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Community Impacts of Growing Bioeconomy

- **Growing jobs and incomes**
 - Necessary for local economic growth and development
- **Creates local market and entrepreneurship opportunities**
- **Provides stimulus for social capital creation**
 - Local versus outside investment
- **Reduces poverty and improves public service efficiency**
 - Spreading costs over more units

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Environmental and Amenity Impacts of Growing Bioeconomy

- **Environmental impacts**
 - Water quality
 - Air and landscape quality
- **Water quantity and quality impacts**
 - Water use per gallon of biofuel
 - Local water supplies (aquifers)
- **Local and regional amenities**
 - Recreation amenities attract businesses/residents
 - Contribute to local economic development
 - Converting CRP to energy crops reduces amenities

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