JOURNAL OF FOREST BUSINESS RESEARCH

Abstract: Western Forest Economists meeting 2025 Journal of Forest Business Research 4 (WFE), 3, 2025

Does contracting for labor-intensive forestry work advance economic equity in the Pacific West, USA?

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ABSTRACT

While the federal government supports local economies by contracting labor-intensive forestry (LIF) activities, it's important to understand where their economic impacts are most significant. Over the past two decades, USDA Forest Service LIF contracts and dollars have been concentrated in the western region of the United States, with a high proportion awarded to non-minority owned businesses. This raises an important question: is federal contracting of LIF activities advancing economic equity in the Pacific West, particularly for small and minority-owned (SBSAMO) businesses? This exploratory study examined USDA Forest Service LIF contracts from 2001 to 2020 across time, space, and business types in the Pacific West, using Local Indicator of Spatial Autocorrelation (LISA) statistics. Furthermore, this study estimated economic equity by comparing the proportion of LIF contract dollars captured by SBSAMO businesses in each county to the proportion of all minority-owned businesses in that county. The results showed that, while 28% of SBSAMO businesses secured 39% of LIF contracts and 45% of contract dollars in Oregon, Washington, and California, only 27% of counties experienced equitable contract capture by SBSAMO businesses. Although these states captured 51% of all national LIF contracts across the period of study, the contract dollars captured by these businesses are highly localized in Southern Oregon and Northern California. This localization might limit opportunities for small and minority businesses in other areas. Through contracting actions, USFS could play an important role in influencing capacity development and supporting entrepreneurship among SBSAMO businesses in counties receiving disproportionate share of LIF contract dollars.

Keywords

economic equity, forest management, labor-intensive forestry, minority-owned, restoration business, USDA Forest Service

Citation

Poudel K, Crandall MS, Huber-Stearns H, Davis EJ. 2025. Does contracting for labor-intensive forestry work advance economic equity in the Pacific West, USA? J.For.Bus.Res. 4 (WFE), 3. https://doi.org/10.62320/jfbr.v4iWFE.79

Published: 17 October 2025