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Clawson and Knetsch, Economics of Outdoor Recreation

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BOOK REVIEWS

Economics of Outdoor Recreation

By

MARION CLAWSON AND JACK L. KNETSCH

Baltimore: John Hopkins Press for Resources for the Future. 1966.
Pp. xx, 328, $8.50 (illus.)

Marion Clawson pioneered the serious, scientific study of outdoor recreation over a decade ago. Now he and his economist colleague at Resources for the Future, Jack Knetsch, have written the first book dealing with outdoor recreation as a subject for social science analysis. They have drawn together their previous work, revised some of it, filled in gaps, and tied many topics together. The book fits the pattern of increasing concern by RFF, and many other students of resource management, for the quality of life and the environment in which it is lived.

Economics of Outdoor Recreation is not a highly technical work in economics. It is aimed primarily at park and recreation administrators and planners, and secondarily at social scientists who might be stimulated to try to answer some of the questions raised in the book. And raise questions Clawson and Knetsch do. The recreation administrator looking for a guidebook, or a "cookbook" full of pat answers may be discouraged to learn there are more problems and more alternative approaches to them than he ever realized. Doing his job right, he will probably conclude, is going to call for developing new skills on his staff and will require drawing upon people with training and background in fields beyond those traditionally supplying park workers.

The book begins with a description of outdoor recreation's growing importance and follows with definitions of terms. Leisure hours are estimated to have increased in total 2½ times from 1900 to 1950. But man-hours spent on major outdoor recreation pursuits grew over 40-fold in the same 50 years, and about 70-fold by 1960. A further 40- to 50-fold increase from 1960 to 2000 seems possible. This sort of growth is staggering and even frightening to those of us who are attracted by the traditional rustic qualities of field and forest. On the one hand, wider enjoyment of what one feels to be a worthwhile human experience is welcomed, but on the other hand, the fear that the enjoyment cannot be stretched that far without some nasty rips and tears will not go away. Unless planning and management are greatly improved, the next 40-fold expansion will almost certainly involve more drastic changes and more of what

most people would call deterioration than the similar increase in the past. This emphasizes the importance of the sort of analysis Clawson and Knetsch have attempted.

A discussion of the general role and character of outdoor recreation follows. In particular, Clawson and Knetsch are sceptical about some of the claims that all people *need* outdoor recreation, although the *demand* is strong. The more their argument for treating outdoor recreation as an economic product is accepted, the less relevant the question of need versus want becomes.

The chapter on demand points out the frequent confusion of demand and attendance. The concept of a demand curve is presented simply for the person without training in economics, and examples of curves for the whole recreation experience are developed, first for hypothetical cases and then from available data for existing areas. The effect on use of other factors besides cost is recognized. Their procedure for estimating a demand curve from distance-traveled data has been modified to recognize that long trips often have multiple destinations (say three national parks and two relatives on one trip), and all of the cost of the trip cannot be assigned to a single recreation area.

Next Clawson and Knetsch derive a demand curve for the recreation area itself. This is based on the assumption that per capita attendance from a closer zone would fall to the level of attendance from a more distant zone *if* a price equal to the additional travel cost for people in the distant zone were charged the people in the nearer zone. The authors realize that this ignores the fact that closer people still need less time to travel to the park than the distant visitors. Thus, the drop in attendance is overestimated and the resulting demand curve is too low. In the absence of research, it is impossible to judge how serious this bias is. I think it is more serious than do the authors. In most outdoor recreation, time seems to be a very important constraint. For example, in a study done by the University of Michigan Survey Research Center for ORRRC, lack of time was cited as preventing desired outdoor activity by three times as many people as expense.[1] Of course, it is more fashionable to claim to be busy than to admit you're broke.

The major causal factors affecting demand are identified as population, leisure, travel or transportation technology, and income. (Recreation expenditures have taken over 5 percent of disposable personal income in recent years; outdoor recreation has accounted for a little less than 1 percent.) The role of education, especially,

1. Mueller, Gurin, & Wood, Participation in Outdoor Recreation: Factors Affecting Demand Among American Adults 7 (ORRRC Study Report 20, 1962).

and perhaps occupation, is neglected, in my opinion. There are reasons to believe that present low participation rates for older adults and Negroes will rise substantially in the future, which is not clearly stated.

Projecting future use is well covered. Alternative projection techniques are evaluated and all found wanting in one way or another. The inevitable future leveling off of outdoor recreation use is recognized and dubbed the "satiety principle." When this leveling off will occur is the question, of course. The use of travel per capita as a basic *causal* factor appears questionable, however. Travel per capita is not interchangeable with transportation technology. It seems more a result of increased leisure and more income, together with improved technology (mainly cars and highways), rather than an independent or causal variable.

Clawson and Knetsch define recreation resources as "land, water, or other natural features actually used for recreation." They state that, "As use is a necessary component of recreation resources, inventories of recreation resources have rather serious limits." If their definition is used, an inventory seems doomed to be out-of-date almost immediately and really pointless. Furthermore, this strikes me as a strained definition which leads to confusion. The point is that a resource, and most clearly a recreation resource, is defined in terms of human usefulness, or "perceived utility." Potential use in terms of peoples' desires and technical feasibility seems closer to the key idea here.

They go on to discuss the many standards for adequacy of recreation areas, acres per capita and so on. They properly emphasize the importance of location in assessing adequacy. Great concentrations of recreational use in time and in area seem characteristic and pose a major management problem. We know little about the causes of these concentrations, however, and programs to spread use more evenly are handicapped by this ignorance.

Recreation and multiple use are considered; Clawson and Knetsch feel there has been "some exaggeration and fuzziness of discussion" of the importance and possibilities of multiple use. Thorough analysis is necessary to establish optimum levels for each type of use, which often conflict. (Some of the most serious conflicts are between different types of recreation.) Here is where more use of better economic and social analysis could help immensely. The decision as to how much of one product to produce at the expense of another is largely a painful, subjective guess at present, and often reflects past decisions as much as anything else. In view of the enormous uncertainty concerning future technology, tastes, and re-

sulting demands, postponing essentially permanent decisions as much as possible is often good strategy. Examples might include major dams on remnant free-flowing rivers, or roads in sizeable roadless areas.

Preservation of recreation quality is stressed in the next chapter. The effect of quantity of use on recreational quality is considered, and the authors note that, "An increase in the number of visits to an area does not necessarily mean that the output of the area is increased, if output is measured in terms of total satisfaction. . . ." Recreation officials might put that statement under the glass on top of their desks. The role of public education, recreation area design, and use ceilings in keeping quality high is discussed. Recreation use without limits is compared to past exploitation of other resources such as "cut and get out" logging or overgrazing without a thought for the future. Clawson and Knetsch consider *how* to limit use a more relevant question than *whether* to restrict it. This is very true of wilderness areas, where quality is especially important, they feel. The scarcity of research on this vital question of quality and carrying capacity is obvious.

Existing U.S. areas and their use are described at a broad, regional scale. Recreation acreage varies greatly regionally, with over 70 percent in the West. Money spent per capita varies much less, but nevertheless all levels of government in the South (also low in acreage) spend only one-third to one-half as much per capita as their counterparts in the Mountain and Pacific States.

The value of land and water for recreation, and how it may be estimated, is covered. The advantages of trying to use economic values for outdoor recreation—strenuously resisted by many park workers and supporters—is stressed.

The local economic impact of outdoor recreation receives a refreshingly candid and balanced treatment. In short, outdoor recreation is not a panacea for economic problem areas.

Investment criteria and benefit-cost analysis are discussed, followed by pricing and paying for public facilities. The rationale for public provision of much outdoor recreation is presented and generally accepted, but the case for free entrance is rejected, except for user-oriented areas such as city parks. The argument that free public recreation areas help poor people is labeled "almost wholly myth." In fact, since most poor people lack cars to visit national parks and similar areas, what taxes they do pay toward providing such recreation areas actually subsidize wealthier people, Clawson and Knetsch believe. They see many advantages to the wider use of fees.

A good case is made for much more research on outdoor recreation—"if good data are available, discussion and debate can be confined to significant issues and not wasted on argument about missing facts."

The book closes with a sharp, frank look at major policy issues.

This is basically a good, thorough book. It tries to be straightforward and objective in handling a subject that is often bogged down in conventional, sentimental approaches. It cites and weaves together many scattered pieces of research. It will probably be used as a textbook in many park management and forest recreation courses, and help correct the weak treatment of economics in recreation education.

Many of its faults stem from the underdeveloped state of knowledge about outdoor recreation. The shortage of hard data or tested hypotheses leads to vagueness and rather obvious general statements at times. For example, "Attendance for different kinds of recreation areas will be differently affected by different price policies" (p. 283).

The book seems just a bit rambling, with some repetition of ideas, sometimes for emphasis, sometimes in a different context, and sometimes (apparently) to make chapters more nearly independent. Some of the section headings and chapter titles seem rather loosely related to their content. This is probably due again to the lack of any clearly developed structure to the subject of outdoor recreation and a certain poverty of terminology.

The discussion of regional adequacy of recreation areas would have been more precise with a few maps. A bibliography to draw together the citations would have been appreciated.

The major theme is that outdoor recreation has more to gain by applying economic analysis than it has to lose by giving up its claim to a special, sheltered position. Differences of opinion about specific details of the book should not obscure this important objective, which is generally well achieved. Repeatedly, the authors point out the difficulties and shortcomings of the economic approach they promote. The methods are sometimes difficult to apply, and needed data are scarce. However, they feel that the problems are not insurmountable and that useful approximations are feasible. One can endorse their appeal for more use of economic analysis and a more objective approach to decision making, but still conclude that human value judgment will remain the main factor in outdoor recreation management for a long time. But this judgment can be assisted immensely by analysis that makes clearer the alternative courses of action and their likely results.

The authors invite others to challenge and modify their interpretations. The publication of *Economics of Outdoor Recreation* also emphasizes the need for others to try to write a book on the specifically *social* aspects of outdoor recreation. For example, attitudes toward leisure, recreation, scenery, and so on need to be considered, and the racial aspects of outdoor recreation touched upon by Clawson and Knetsch need further investigation. In addition, historical, geographical, and political analysis of outdoor recreation deserves treatment comparable to that economics has now received.

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