THE OPPORTUNITY REPORT

Understanding What Creates Lasting Economic Opportunity

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1.1 Executive Summary

Economic opportunity is shaped by its ability to convert resources that a region already possesses into economic growth, productive employment, and improved living standards rather than simply the current resources. Understanding this relationship is critical to identifying opportunities, addressing structural limitations, and making informed economic decisions for regions seeking long-term economic development.

The Opportunity Report analyzes this relationship through the economy of Athens County in Southeastern Ohio. The report's central research question is: "What determines whether a region can turn its existing economic resources into lasting economic opportunity?" By analyzing the county's economic landscape, how it's structured, employment patterns, industrial assets, workforce participation, and development potential, the report aims to understand both the foundations of its economy and how these conditions will help influence and shape the future of the county.

Athens County currently has several important economic assets, including Ohio University, strong established educational and healthcare institutions, a strong local business network, and a diverse workforce that supports a range of economic activities. Not only do these resources create a potential path for further development, but they also provide a foundation for economic stability. But one should realize that having strong economic assets doesn't necessarily result in sustained economic growth. Their long-term value will depend on the extent of support business develop, workforce advancement, investment, and opportunities for residents.

The report analyzes the county's current economic conditions to identify the strengths where future development can be expanded the most, the structural challenges that could constrain growth, and the opportunities that are the most capable of supporting long-term economic development. Instead of treating economic development as simply a matter of attracting new businesses or increasing employment, it considers how different parts of the regional economy interact and whether existing resources can generate benefits that extend beyond individual institutions or industries.

Ultimately, *The Opportunity Report* aims to establish a framework for understanding economic opportunity as a product of both existing assets and the ability to use them effectively. Its focus is on what determines its availability to adapt, develop, and create lasting opportunities for its population, and not simply where the economy of Athens County stands today. By connecting economic conditions in the region with functional development opportunities, the report aims to provide a foundation for more informed decisions about the county's economic future that can lead to the best possible outcome for the county.

1.2 Introduction

An analysis of the factors that influence economic opportunity would be incomplete without considering not just the availability of natural resources in a region, but how effectively these resources are being transformed into viable economic operations, growth, and better quality of life. Institutional, industrial, and skill capabilities can be instrumental in laying down the groundwork for development, although this does not guarantee an economic path for any particular region.

Athens County, which is situated in Southeastern Ohio, represents an interesting case study of the analysis of this phenomenon. It is home to Ohio University and has a lot of developed sectors including education and health care, as well as a wide variety of businesses. Thus, there are a number of strengths in this county which can help its economy flourish. Nevertheless, a number of socioeconomic problems make it necessary to understand how this potential can be used.

An analysis of Athens County through this perspective means a change in emphasis from the current economic state to the forces that will determine the economic future of the area. The economic future of the county is determined not only by what economic resources are possessed by the county, but also by how well these economic resources are utilized to conduct business and engage people in economic activities. It is precisely this difference that becomes the basis of The Opportunity Report.

1.3 Other Important Information

Research Question

“What determines whether a region can turn its existing economic resources into lasting economic opportunity?”

This is the core question that directs the analysis of the economic landscape of Athens County, Ohio, and the factors that form its economic development. Instead of measuring the county only through its current economic conditions, *The Opportunity Report* investigates how its industries, workforce, business environment, and institutions influence its ability to grow substantially. Athens County serves as a case study for understanding how resources that exist in the region can be converted into important economic activity and larger economic opportunity.

Purpose and Rationale

The Opportunity Report aims to measure Athens County's economic landscape and understand the elements that define its capacity to produce enduring economic prosperity. Economic indicators offer a view of the current state of a region, but they don’t always explain the mechanisms behind its development or whether its existing resources can generate sustained economic growth.

Athens County already has several important economic assets, including Ohio University, established education and healthcare institutions, and a network of local businesses. However, the presence of these resources alone does not guarantee broad economic prosperity. Their contribution to long-term development depends on how effectively they support business expansion, workforce advancement, investment, and productive employment.

This report examines the county's demographic and socioeconomic conditions, employment patterns, industrial composition, institutional assets, and development potential to identify the strengths that can support future growth, the structural constraints that may limit progress, and the opportunities most capable of generating additional economic value. By connecting these factors, the report seeks to move beyond describing Athens County's current economic conditions toward understanding how its existing resources can be leveraged to create lasting opportunities for the region and its population.

2.1 Population & Demographics

Overview

The foundation for understanding the economic conditions of a community/region often begins with its population and demographic characteristics. Factors including but not limited to migration trends, educational attainment, age distribution, and population growth influence consumer demand, occupational availability, and a community/region's ability to attract business growth and investment. Ohio University and its rural Appalachian location adds to the unique demographic profile of Athens County, Ohio. This duality creates a community with significant educational resources with a continuously renewed younger population while also experiencing shortcomings with respect to sustained economic development and population retention. Analyzing these demographic trends supplies crucial context for understanding the overarching question of why some communities can create lasting economic opportunity while others struggle.

Regional Demographic Profile

Table 2.1 - Population Trends

Indicator	Value
Current Population	63,314
Population Change (2000-2010)	+4.1%
Population Change (2010-2020)	-3.6%

Table 2.2 - Age & Household Characteristics

Indicator	Value
Median Age	33.2 years
Average Household Size	2.4 people

Note: Athens County's median age is likely influenced by Ohio University's large student population

Regional Demographic Profile

Indicator	Value
High School Diploma or Higher	92%
Bachelor's Degree or Higher	35%

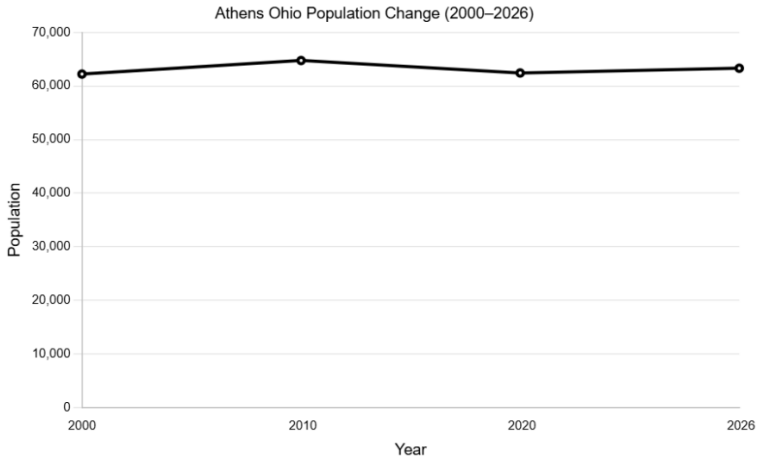
Table 2.4 - Economic Indicators

Indicator	Value
Athens County Poverty Rate	25.3%
United States Poverty Rate	~10.6%

Table 2.5 - Racial Composition

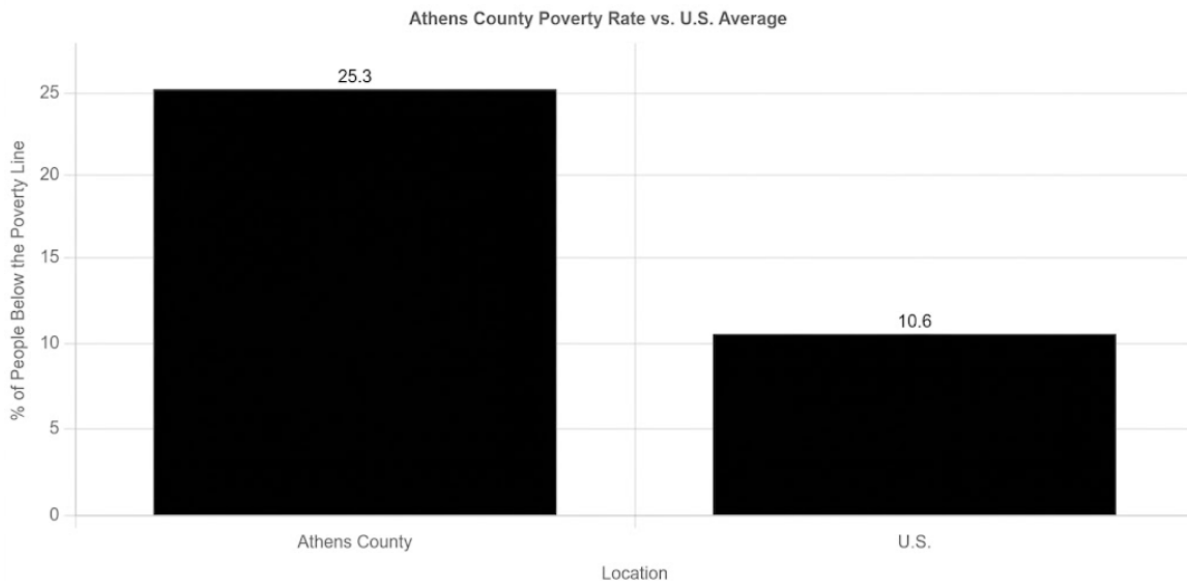
Race/Ethnicity	Share of Population
White	87.3%
Black/African American	4.6%
Asian	2.0%
American Indian and Alaska Native	0.4%
Native Hawaiian and Pacific Islander	<0.1%
Other Race	1.0%

Figure 2.1 - Graph of Athens County Population Change (2000–2026)



Population increased by 4.1% from 2000-2010, while population decreased by 3.6% from 2010-2020.

Figure 2.2 - Graph of Poverty Rate Comparison



Athens County poverty rate of 25.3% is 2.26 times higher than the United States poverty rate of 10.6%. (U.S. Census Bureau)

Analysis

This demographic profile of Athens County highlights the unique combination of the rural Appalachian region with the influence of Ohio University with more than 20,000 students. Even though the county experienced population growth from 2000 to 2010, about 4.1%, from 2010 to 2020 experienced a decline, around 3.6%, that may suggest that the county has difficulty establishing sustained population growth. This could also relate to Ohio University, much of the population in Athens County is students and the number of students can fluctuate slightly.

Another core area that Ohio University has a large regional influence on is the county's median age. This major university presence provides Athens County with a larger younger population which skews the median age to around 33.2 years old compared to the United States median age of 39.4 years old. In addition to lowering the median age, Ohio University also provides the county with a highly educated workforce compared to many other traditional rural communities. However, the county's heightened poverty rate, approximately 25.3% compared to the national rate of 10.6%, sheds light on the gap between educational resources sustained economic growth. This data demonstrates the fact that the sole factor of education cannot on its own create economic opportunities without ample opportunities presented by employers, investment, and business growth.

The demographic trends of Athens County create an important foundation for understanding its economic position. Migration trends, education attainment, and workforce characteristics all play

a fundamental role in influencing the region's ability to retain talent and attract businesses. These factors also demonstrate why sustained economic growth does not only depend on the resources a community possesses, but also on its ability to convert those resources to better shape the community economically.

Key Takeaways

- Ohio University significantly influences Athens County's demographics. In particular, the median age is lower, and the population is more educated than many other rural communities.
- Despite the presence of a university and strong education resources, Athens County continues to have a poverty rate twice as high as the national average. This suggests that educational attainment does not directly correlate with a strong economy
- Over the past two decades, population growth has weakened, indicating that there remains to be challenges
- Demographics are mainly used to establish a foundation for understanding the county's economic position. Long-term sustained growth depends on how effectively human capital is transformed into employment opportunities, investment, and business growth.

Sources

- U.S. Census Bureau
- World Population Review
- Census Reporter

2.2 Education & Human Capital

Overview

One of the key components that determines whether a community can have sustainable economic development or not is education and human capital. The level of education and the region's capacity to nurture and retain its educated human capital will have a direct effect on income levels, innovations, and firm creation. Since firms need areas that are populated by knowledgeable workers, human capital attracts more economic opportunities. It's up to the community to shift education into economic impact by connecting skilled individuals with career opportunities and growing industries.

As previously mentioned, Athens County, due to the presence of Ohio University, embodies the unique duality of a rural Appalachian community combined with a large-scale university of over 20,000 students. As one of the largest universities in Ohio, it supplies the county with many educational opportunities and resources, research activity, and a continuously refreshed population of younger and educated students. Despite this, we can observe that just because the population is more educated does not mean that the region has an economic advantage. Evaluating Athens County's human capital and education statistics provides crucial context for understanding why certain communities are able to successfully convert educational opportunities into sustained economic growth while other regions cannot.

Education & Human Capital Profile

Table 2.6 - Educational Attainment

Indicator	Athens County Value	United States Value
High School Diploma or Higher	92%	91.4%
Bachelor's Degree or Higher	35%	36.4%
Graduate or Professional Degree	19%	14.8%

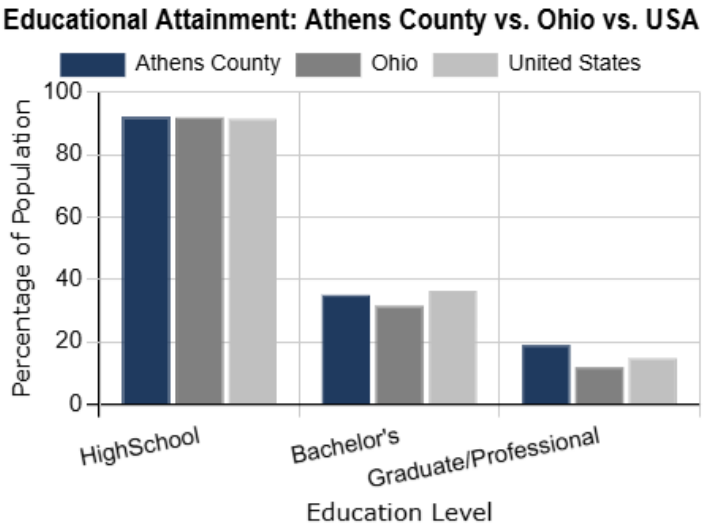
Table 2.7 - Ohio University Influence

Indicator	Value
University Enrollment	23,264
Institution Type	Public Research University
Regional Role	Education and Largest Employer

Table 2.8 - Human Capital Indicators

Indicator	Impact
Higher Education Institution (OU)	Creates a pipeline for skilled workers
Research Activity	Supports innovation and knowledge creation
Student Population	Provides rural community with younger and more educated population
Graduate Retention	One of the county's biggest challenges

Figure 2.3 - Educational Attainment Comparison



Athens County generally outperforms the state across some measures of educational attainment.

Figure 2.4 - Ohio University Student Population Impact

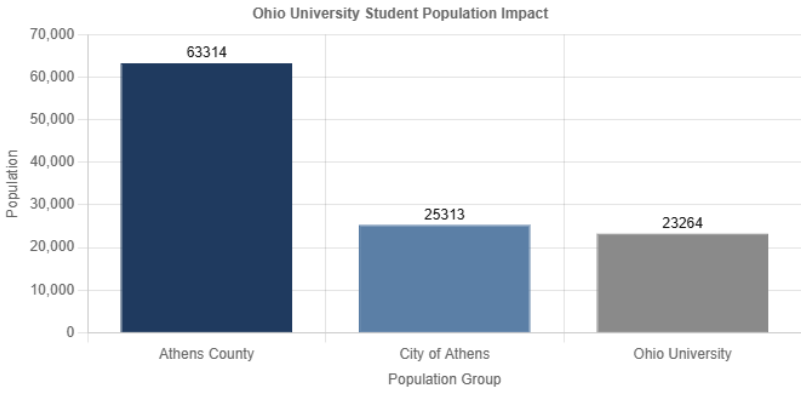
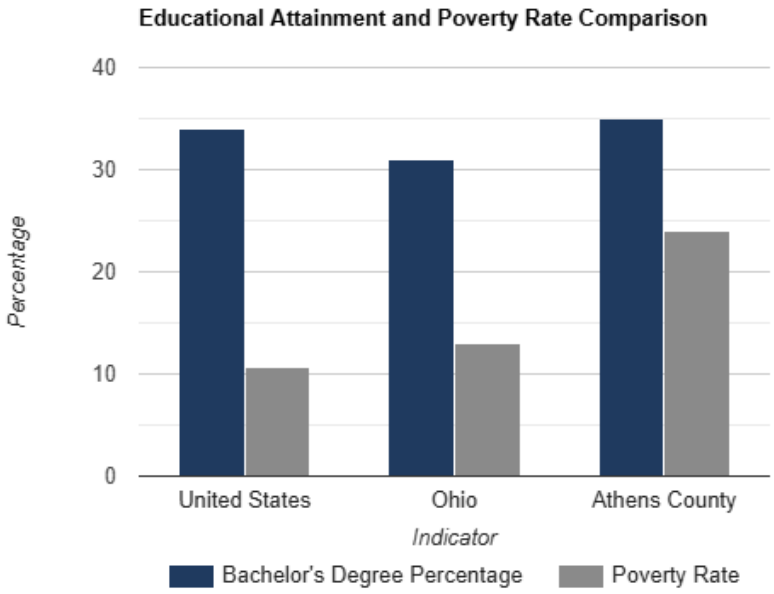


Figure 2.5 – Educational Attainment and Poverty Rate Comparison



Despite Athens County having a more than average percentage of people who have a bachelor's degree, the poverty remains to be twice the national average.

Analysis

One of the strongest economic advantages of Athens County is its education and human capital profile. Because of the presence of Ohio University, the county has immediate access to elevated educational resources and human capital development opportunities than many Appalachian communities of similar size. As shown in Figure 2.3, Athens County's educational attainment is comparable to the state and national averages, with approximately 35% of residents holding a bachelor's degree or higher. This highlights the impact that the role of Ohio University plays in ensuring that the population is educated and developing the human capital in the area.

As seen with Athens County, having an above average educational foundation doesn't on its own create long-term economic growth. In Figure 2.5, it is shown that Athens County has a relatively high educational attainment compared to the state and country. Despite this, the county continues to experience a higher poverty rate than that of both Ohio and the United States. This demonstrates that education alone cannot create economic prosperity. In addition, this suggests that human capital must relate to other factors including but not limited to business growth, employment opportunities, industry development, and investment in order for communities to be able to fully benefit from an educated population.

The main challenge that Athens County faces is the ability to retain the talent and human capital that it helps create. Even though Ohio University attracts and educates tens of thousands of ambitious college students, many graduates flee from the region for large metropolitan areas that can support more diverse industries and higher-paying careers. The region's future success depends on how well it can transform educational resources into new employment opportunities, and investment that can allow human capital to remain within the region.

Key Takeaways

- Ohio University, the largest employer in Athens County, provides it with a human capital advantage by fostering access to higher education, research opportunities, and a continuously renewed population of young and skilled individuals each academic year.
- Athens County's educational attainment is relatively strong compared to the surrounding counties with lower poverty rates. This suggests that Athens County possesses the necessary educational foundation to support economic development.
- Educational resources alone cannot create economic prosperity. Despite having a relatively highly educated population, Athens County continues to experience a poverty rate higher than surrounding counties with less educated populations and more than double the national average.
- Sustained economic growth requires transforming human capital into economic opportunity. This is Athens County's primary problem. It cannot retain many graduates because it lacks sufficient industry diversity and higher-paying careers

Sources:

- Census Reporter
- United States Census Bureau
- Athens County Economic Development Council
- Education Data
- Community College Daily

2.3 Business Environment & Industry Composition

Overview

One of the factors that determines how a region's economic activity is generated, distributed, and sustained is its economic structure. Even though population and human capital describe the resources that a community has readily available, the business environment determines how firms, industries, employment, and investment utilize said resources. Many strong business environments share many traits. Some common traits are a diverse collection of industries, growing business, and opportunities for different sized firms to expand and compete. Therefore, examining Athens County's business environment provides valuable insight into the resilience and composition of its local economy.

Athens County is unique in the sense that it is strongly influenced by a handful of large institutional and service-oriented sectors. As previously mentioned, Ohio University remains the largest employer in the county by a wide margin while retail, healthcare, and other local businesses contribute to the broader economic base as well. While the degree of stability that this structure provides for the county is significant, it also creates a relatively concentrated economy with not as many large private-sector industries as can be found in larger metropolitan areas. This structure is important to understand because the composition of an economy can influence its ability to survive economic shocks, create new businesses and opportunities for future growth.

Business Environment Profile

Table 2.9 – Major Economic Sectors

Indicator	Economic Role in Athens County
Educational Services	Largely influenced by Ohio University
Healthcare	Major source of employment and services
Government	Provides regional stability and public-sector employment
Retail	Serves university community and local population
Food Services	Supported by students, visitors, and local demand
Professional/Business Services	Small component of local economy

Table 2.10 – Business Structure

Indicator	Athens County
Largest Institutional Employer	Ohio University
Economic Base	Education, healthcare, and government
Business Environment	Mainly small and local businesses
Major Market	Regional consumers
Private-Sector Diversity	Limited compared to larger metropolitan areas

Table 2.11 – Business Environment Characteristics

Indicator	Economic Effect
Ohio University	Creates local economic activity and demand
Institutional Employers	Provides consistent employment and stability
Small Businesses	Supports entrepreneurship and diversifies local economic activity
Large Private Employers	Restricts the number of high-scale employment opportunities
Service-Oriented Economy	Employs residents, but can limit wage growth and productivity
Regional Market Size	Scale of some businesses limited

Figure 2.6 – Athens County Employment by Industry

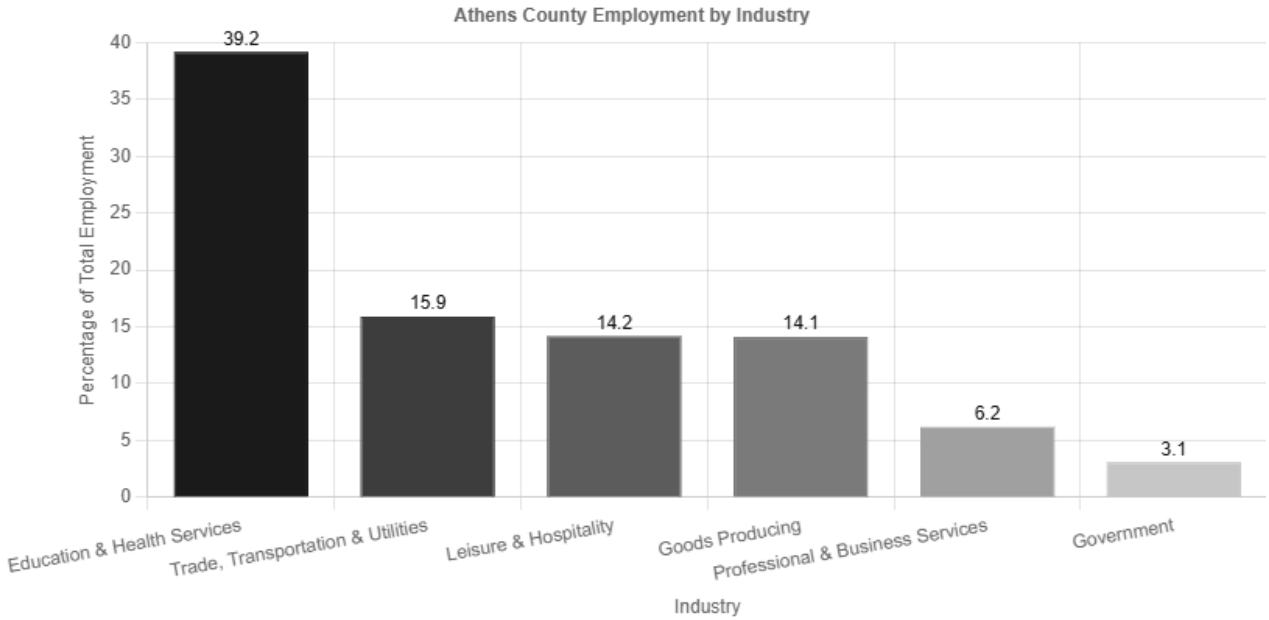
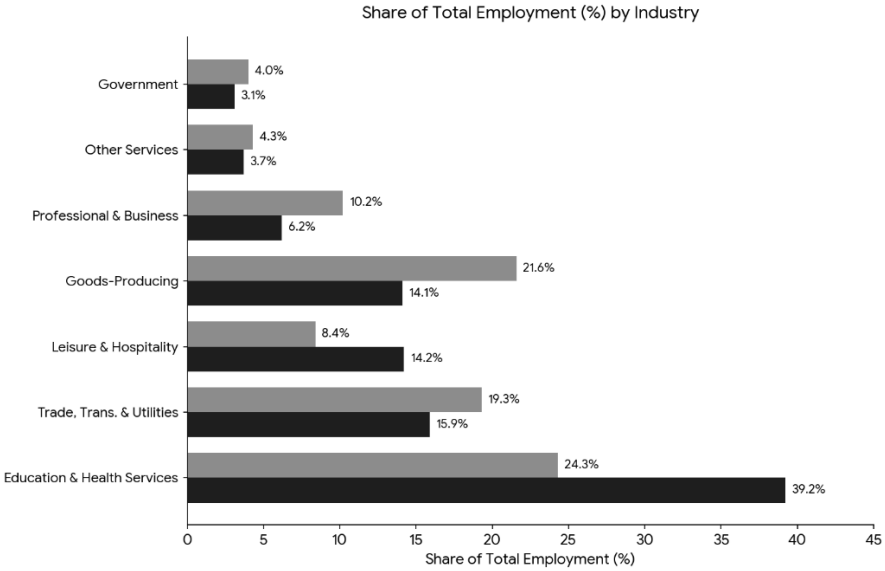
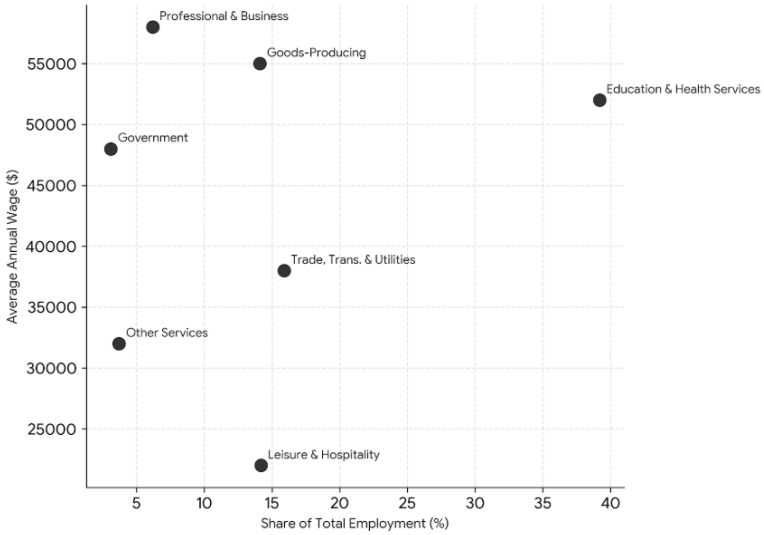


Figure 2.7 – Athens County vs. Ohio Employment by Industry



Athens County has a higher concentration of Government employees than the general state of Ohio, around the state average in Education & Health Services, Trades Trans. & Utilities, Leisure & Hospitality, but lacks Professional & Business and Goods-Producing employees.

Figure 2.8 – Employment and Average Annual Wages by Industry



Leisure & hospitality workers in Athens County tend to make the least amount of money out of the sectors graphed, professional & business and goods-producing tend to earn higher wages.

Analysis

Unlike major metropolitan areas, the employment structure of Athens County is not broadly distributed across industries. Instead, it is concentrated in several major sectors. Figure 2.6 shows that government, education, and trade-related industries form the foundation for local employment, while leisure and hospitality, goods-producing, and professional and business services account for smaller parts of the employment base.

Figure 2.7 emphasizes that Athens County's employment composition differs significantly from the broader Ohio economy. Looking at the figures, Athens County has a higher concentration of Government and education/health services than the state of Ohio but lacks Professional & Business and Goods-Producing employees. This structure provides Athens County with a less diversified economy than the rest of the state; however, it also provides the county with a degree of economic stability through essential services and multiple institutions.

Figure 2.8 highlights that wage levels vary substantially across industries, and do not necessarily correlate with industry concentration. This figure also highlights the difference between the quantity and economic value of employment. It is clear then that the economic base of Athens County consists of a mix of stability and concentration, with traditional economic bases providing a stable foundation, while the absence of high-paying and scalable industries limits economic diversification in the area. It is important to distinguish between these concepts when considering where economic development may have the greatest impact.

Key Takeaways

- Athens County has a heavy employment emphasis on government, education and health services, and trade-related industries, which creates a comparatively stable yet concentrated economic structure.
- Compared to the entire state of Ohio, Athens County has a greater concentration of government and education and health services but has a smaller presence of goods-producing and professional and business services.
- Concentration of jobs is not synonymous with higher wages, demonstrating that the quantity of jobs can be distinguished from their worth.
- Lack of presence of high-paying and scalable industries in the county makes economic diversification difficult.

Sources:

- Ohio Department of Development
- U.S. Bureau of Statistics
- Ohio Department of Job and Family Services
- Quarterly Census of Employment and Wages

2.4 Employment & Income

Overview

The foundational statistics of whether a region's economic structure creates economic opportunities for its residents are its employment and income. The composition of local industries is important for describing where economic activity occurs, while income and employment indicate how that activity is distributed among workers and households. It is possible for an area to have stable employment despite the presence of low incomes, high poverty rates, and poor access to well-paid careers. Thus, analyzing Athens County's income and employment characteristics supplies a more direct measure of the economic outcomes experienced by its population.

Many of the characteristics in the previous section can be reflected in Athens County's income and employment profile. The county's employment base is relatively stable and is supported by education, government, and healthcare, but the employment concentration in these sectors does not necessarily translate into high wages across the broader population. The difference between income and employment is especially significant in Athens County because the presence of Ohio University and other institutions creates substantial employment opportunities while the county continues to experience elevated poverty rates and comparatively low household incomes. Analyzing these indicators helps decide whether the economy in place is bringing about prosperity in general or merely securing jobs and economic stability.

Employment and Income Profile

Table 2.12 – Employment & Income Indicators in Athens County vs. Ohio

Indicator	Athens County	Ohio
Labor Force Participation Rate	57.2%	61.6%
Employment Rate	54.3%	59.4%
Unemployment Rate	4.5%	3.6%
Median Household Income	$56,001	$72,212
Per Capita Income	$30,645	$40,552
Poverty Rate	~25.3%	10.6%

Table 2.13 – Employment & Income Characteristics

Indicator	Economic Effect
Labor Force Participation	Measures the proportion of working age population participating in the labor market
Employment	Measures the proportion of working age population that is employed
Household Income	Indicates the purchasing capacity of the household and economic prosperity
Per Capita Income	Measures the average amount of economic resources per capita
Poverty Rate	Measures the proportion of population that has an inadequate income for subsistence

Figure 2.9 – Median Household Income: Athens County vs. Ohio

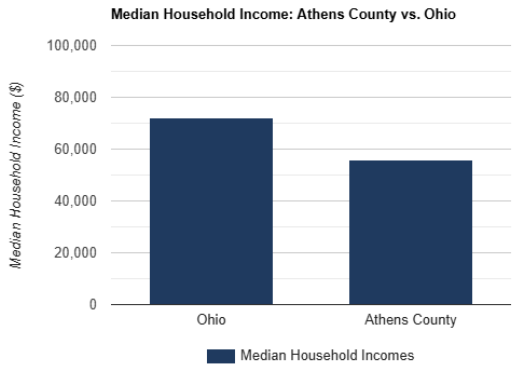
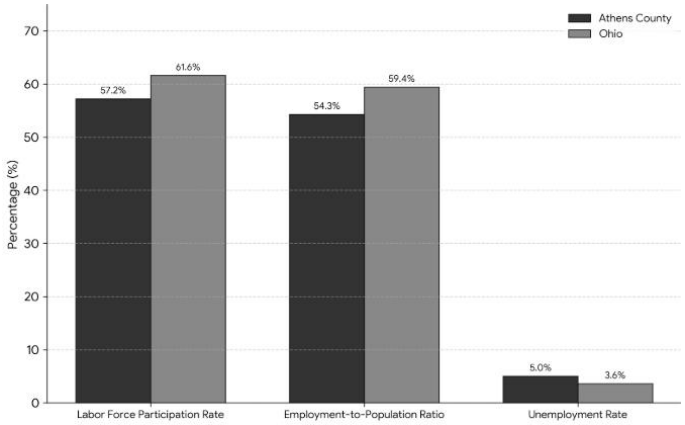


Figure 2.10 – Labor Market Participation: Athens County vs. Ohio



Analysis

Based on the employment and income figures of Athens County, the county economic structure offers a fairly stable employment structure for the residents, but it fails to ensure the same economic prosperity that the state of Ohio enjoys. As shown in figure 2.10, The labor force participation rate and employment to population ratio of the county are both lower than the corresponding figures for the state, while at the same time, the unemployment rate is higher in the former than the latter. It shows that a lower number of people in the county are participating in the work force and there are fewer employment opportunities as compared to the rest of Ohio.

Income figures make the difference much more apparent. While the county's median household income is approximately $16,200 lower than the state average, the per capita income in Athens County is also almost $10,000 lower than the state average. Table 2.9 highlights that around 25.3% of people living in Athens County live below the poverty line, while only 10.6% of Ohio residents live in poverty. In other words, while employment activities have been present in Athens County, there is no economic prosperity for the county residents, due to the nature of industries dominating the county economy.

The differences between economic opportunity and employment are therefore key to the economic situation in Athens County. Employment gives people money and security, but higher value employment can give people a way to advance economically by saving, investing, and building their wealth. The problem for Athens County is not just creating more jobs, but creating more economic opportunities that yield greater incomes. This implies that future economic development in the county could be made more effective by bringing in industries that can take advantage of what the county already has while increasing economic activity.

Key Takeaways

- Athens County has worse labor market outcomes compared to Ohio in terms of labor force participation rates, employment rates, and unemployment rates.
- The income level in Athens County is much lower than the average of Ohio, since the median income is about $16,200 lower, while per capita income is almost $10,000 lower in Athens County.
- There is a very high level of poverty in Athens County where almost 25.3% of population lives below the poverty line compared to 10.6% in the whole of Ohio.
- Labor does not automatically mean economic opportunity because there are limited economic opportunities in Athens County that can generate high income and wealth.

Sources:

- U.S. Census Bureau
- U.S. Bureau of Labor Statistics
- Federal Reserve Bank of St. Louis
- Policy Matters Ohio
- Ohio Department of Job & Family Services

2.5 Infrastructure & Connectivity

Overview

Infrastructural development and connectivity have proved to be major factors determining the participation of any region in larger economic activities. Factors such as transportation systems, broadband facilities, utility services, and other infrastructural factors play an influential role in determining how effectively business activities will be conducted, how well people will have access to jobs, and how well the region will connect to economic centers lying outside its geographical boundary. Although lack of proper infrastructure will not hinder economic growth in a region, it will lead to higher business costs, limited job access, and low potential for investment.

These factors become even more relevant considering that the county of Athens is a predominantly rural one, not located close to any of Ohio's major urban centers. While the county has advantages in terms of its location along the transport corridor and presence of Ohio University, offering economic and technological infrastructure to the county, at the same time, the geographic position of the county can limit its access to larger labor and commercial markets. At the same time, broadband and other forms of digital connectivity may alleviate some of these geographic disadvantages by making economic transactions possible regardless of the physical location of the economic agents. Analysis of infrastructure and connectivity of the county will thus allow understanding whether the county's physical and digital infrastructure is aiding economic development of the area or limiting it.

Infrastructure & Connectivity Profile

Table 2.14 – Infrastructure & Connectivity Indicators in Athens County vs. Ohio

Indicator	Athens County	Ohio
Households without Broadband Internet	13.1%	9.9%
Households Without a Computer	6.8%	5.6%
Mean Travel Time to Work*	24.1 minutes	23.4 minutes
Households Without a Vehicle	~9.1%	7.4%

**For workers aged 16 and older*

Table 2.15 – Infrastructure Characteristics & Economic Effects

Infrastructure Characteristic	Economic Effect
Broadband Internet Access	Allows businesses and individuals to engage in digital work, business, learning, and service delivery
Computer Access	Gives Households access to technology that allows them to access digital work, learning, financial services, and economic opportunities
Transportation Connectivity	Determines how easily workers and businesses can access employment, suppliers, buyers, and regional markets
Vehicle Access	Affects the ease with which individuals access work and services, especially in rural regions lacking public transport systems

Figure 2.11 – Broadband Internet Access: Athens County vs. Ohio

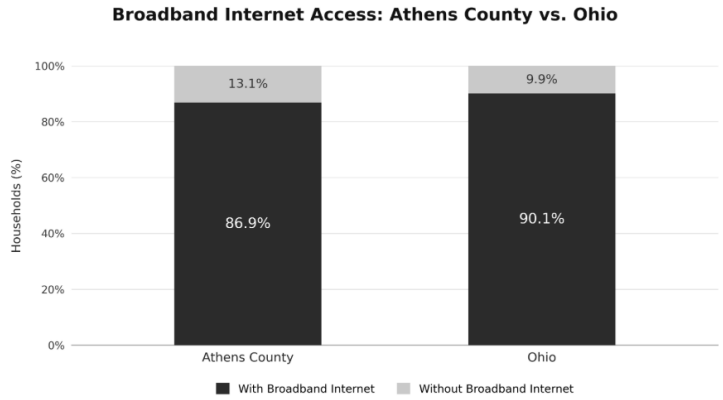
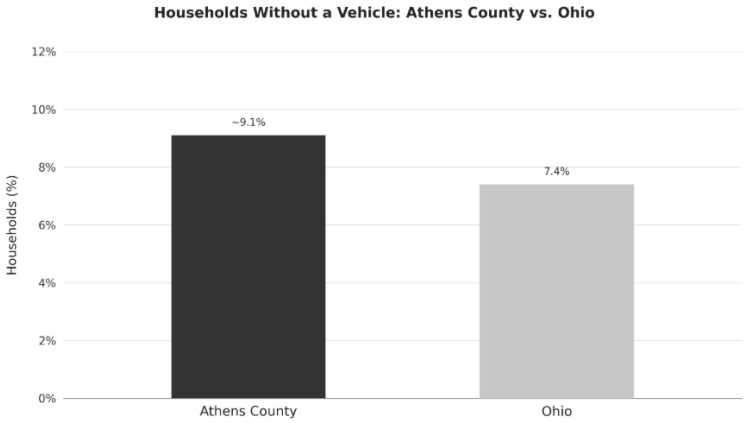


Figure 2.12 – Households Without a Vehicle: Athens County vs. Ohio



Analysis

Connectivity and Infrastructure indicators for Athens County show that there are multiple factors working against Athens County in comparison to the whole state of Ohio. In table 2.14, it is visible that 13.1% of Athens County households lack broadband internet connectivity, as opposed to 9.9% of Ohio's households. Similarly, 6.8% of Athens households lack computer connectivity as opposed to 5.6% of Ohio households. These numbers imply that Athens' households lack access to the modern economy's digital infrastructure. While these numbers may seem relatively insignificant as percentages, it should be considered that Athens County households have significant barriers related to their geographical isolation from outside economic activity.

Accessibility to transportation poses another challenge for residents. The average time spent traveling to work in Athens County is about 24.1 minutes, which is, even by a smaller amount of time, greater than the Ohio average of 23.4 minutes. Figure 2.12 illustrates that about 9.1% of households in Athens County lack access to a vehicle, while in the entire state, 7.4% of households lack the same access. Given the overwhelmingly rural nature of Athens County, with dispersed employment and service centers, the availability of personal means of transportation could directly impact the availability of employment opportunities for residents. As such, lack of transportation may restrict labor mobility and make it harder for firms to connect with prospective employees, especially given the limitations of public transport infrastructure. This rural geography in Athens County, thus, makes transportation facilities an integral part of economic capability.

The implications of the stated infrastructure deficiencies go beyond the mere convenience of households and influence the competitiveness of the county in economic terms. Businesses in need of transportation and internet connectivity must be able to reach their employees, consumers, suppliers, and markets that exist outside of their locality. The geographical location of Athens County is already a factor that puts businesses at a disadvantage, but the presence of good digital connectivity is likely to mitigate the impact of geographical distances and allow businesses and the workers to engage in economic activities without leaving their houses. Nevertheless, the existence of deficiencies in both types of infrastructure implies that not all the inhabitants have equal opportunities. Therefore, improving Athens County's infrastructure and connectivity may be able to reduce the economic disadvantages that the county faces due to its rural environment.

Key Takeaways

- There is less transportation connectivity in Athens County compared to the state of Ohio, as there are more households that lack transportation and an average commute time that is higher than the state average

- The rural nature of Athens County increases the importance of physical and digital connectivity, as economic activities are geographically spread.
- By increasing physical and digital connectivity, Athens County could be able to overcome economic disadvantages resulting from geographic isolation.
- Athens County experiences lower levels of digital connectivity than the state of Ohio, with higher proportions of households lacking broadband internet access and a computer.

Sources

- Census Reporter
- U.S. Census Bureau
- American Community Survey
- Data USA
- Ohio Department of Development

2.6 Capital & Investment Environment

Overview

One of the many important factors in determining a region's ability to support expansion, business formation, and long-term economic stability is access to capital. Whether establishing operations, hiring employees, acquiring property, finance expansion, or purchasing equipment, businesses require capital at almost every state of development. Availability of financial services, business loans, investments, and financing options may also determine the ease with which businesses can enter the market, develop and stay economically sustainable. Although access to capital is not a sufficient condition for achieving economic growth, lack of access to proper financing may hamper the process of entrepreneurship, development of businesses, and exploitation of economic opportunities.

These characteristics become even more critical for Athens County, given its largely rural economy, smaller size of the private sector market, and its geographical separation from Ohio's primary finance and commercial hubs. At the same time, Athens County has access to one very valuable institution: Ohio University, which has the capability to provide human capital, research, professional networking, and entrepreneurial capability to the local economy. Not only does capital include bank capital; different types of capital, such as small-business loans, commercial capital, government grants, or private capital, may be needed at different stages of business development. The assessment of Athens County's capital and investment climate will thus give some indication as to whether there is enough financial structure in place for entrepreneurship and business growth.

Capital & Investment Environment Profile

Table 2.16 – Capital & Investment Indicators in Athens County vs. Franklin County

Indicator	Athens County	Franklin County*
Employer Establishments (2023)	1,030	30,700
Non-employment Establishments (2023)	3,767	125,504
New Business Applications	**No Data**	28,573
Bank Branches per 10,000 Residents	2.69	2.07
Total Employment (2023)	13,467	695,387
Annual Payroll (2023)	$570.49 million	$44.3 billion

******Franklin County is home to the capital of Ohio, Columbus, which is a major hub for economic activity in the state.*

Table 2.17 – Capital Sources & Their Economic Effects

Capital Source	Economic Effect
Lending from Commercial Banks	Funds working capital, equipment, property acquisitions, and business expansion for companies
Financing Small Businesses	Aids entrepreneurs and small business owners in starting their business, acquiring assets, and increasing production capacity
Economic Development Funding & Public Grants	Lessens the financial burden of establishing a business, investing in infrastructure, and undertaking strategic initiatives
Angel & Private Investing	Provides equity financing for growing businesses that cannot depend on conventional methods of debt financing
Institutional & University Resources	Links entrepreneurs with research and professional contacts, as well as funding possibilities
Economic Development Organizations	Assists in finding business funding programs, grants, and other sources of investments

Figure 2.13 – Total Employment: Athens County vs. Franklin County, 2023

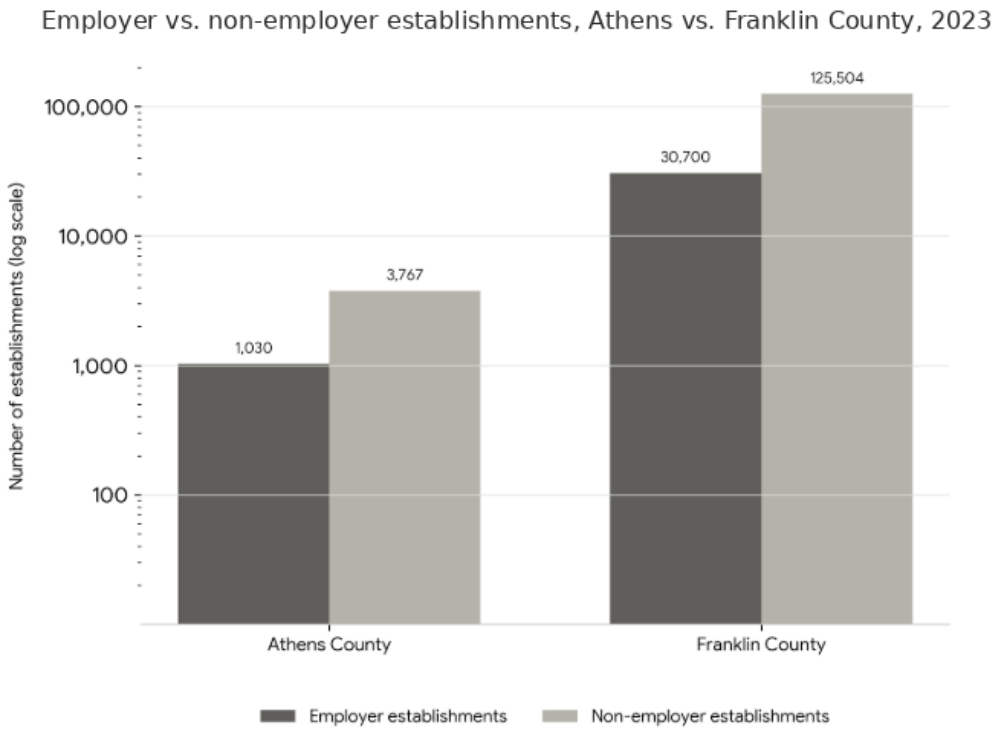
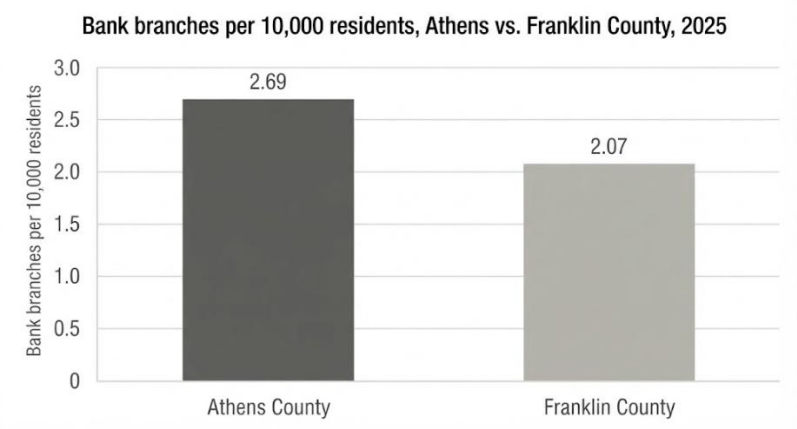


Figure 2.14 – Bank Branches per 10,000 Residents, Athens vs. Franklin County



Analysis

The characteristics of a smaller/more rural business economy is well reflected by the capital and investment environment. In 2023, there were approximately 1,030 employer and 3,767 non-employer establishments in Athens County. Comparatively, Franklin County reported 30,700 and 125,504, respectively. This indicates a considerably smaller pool of businesses requiring and generating capital. These proportions extend across almost every indicator that Table 2.16. Franklin County supports over 50 times more employment and almost 78 times the annual payroll of Athens County, whose businesses employ 13,467 workers and generate approximately $570.49 million in annual payroll, compared to Franklin County's $44.3 billion. As described in the chapter interview, these disparities are consistent with the structural realities. In particular, Athens County's rural economy and its smaller private-sector market relative to Franklin County, home to a large metropolitan hub. In addition, the New Business Applications index of Athens is not available. This can be due to the fact that the city might not have a well-developed infrastructure for monitoring entrepreneurship activities. However, the existence of thousands of employers and non-employers shows that there are entrepreneurial and business activities in Athens.

However, even with such a difference in scale, it seems as though the amount of financial infrastructure available is not relatively low in Athens County either. As seen in Figure 2.14 below, Athens County has about 2.69 banks per 10,000 residents, as opposed to 2.07 banks in Franklin County, suggesting that Athens County enjoys relatively better physical access to traditional banking facilities. However, this finding does not mean that the assumption that Athens is under-served by financial institutions is not true because branch density does not necessarily imply access to business capital. Branch density is a measure of physical access to financial institutions and does not consider the amount of business capital, investments, or credit available for local businesses. The difference is seen when comparing institutional capacity to

branch density. For example, while there are 32 FDIC insured institutions in Franklin County, holding an accumulated total of over $100.3 billion in local deposits, Athens County has only 7 institutions that have relatively small deposit base. This means that despite similar physical access, there is a great deal of difference in terms of lending capacity of these facilities.

As such, it appears that the capital and investment issues facing Athens County may be more related to the scale of capital that financial institutions can provide rather than geographic proximity to such institutions. This is to say that the capital environment is both a strength and an opportunity for Athens County. Commercial banks can form the basis of traditional financing methods. The alternative capital sources discussed in Table 2.17 include public grants, economic development projects, private investment, and institutional funding, among others. In this respect, the existence of Ohio University in the county is a great opportunity in terms of providing the knowledge, connections, and financial backing to entrepreneurs that otherwise would be less available in a rural economy. Thus, the problem faced by Athens County in terms of capital does not appear to be related to the availability of financial institutions but rather to the connection of businesses in the county to appropriate levels of capital needed for their development.

Key Takeaways

- The business economy of Athens County is much smaller compared to Franklin County regarding the number of employers and non-employers, less employment and lower total payroll.
- The physical accessibility of traditional banking services is fairly well developed in Athens County; there are 2.69 bank branch establishments for each 10,000 people compared to 2.07 in Franklin County.
- Having banking facilities is not an indicator of availability of adequate financial resources because branch networks do not provide any information about the quantum of credit or funds available for business organizations.
- Creating links to various capital sources is a chance for Athens County, especially through commercial loans, public money, private capital, development agencies, and the institutional capital of Ohio University.

Sources

- U.S. Census Bureau
- Small Business Statistics
- Ohio Department of Development

- Federal Deposit Insurance Corporation (FDIC)
- Federal Reserve Bank of St. Louis
- FFIEC – Community Reinvestment Act (CRA) Data
- Ohio University/Athens County economic development resources

3.0 Economic Opportunities

Where can Athens County Grow?

The structure of economic development within the Athens County economy was outlined in chapter two, with an emphasis on what is holding the region back in terms of using its strengths and advantages to build a prosperous community. Chapter three takes the information gathered from the previous chapter one step further by discussing how the strengths and structural barriers within the region can be used to build new opportunities.

From Conditions to Opportunity

Existing Assets	Structural Constraints	Economic Opportunities
Ohio University	Low Income	Entrepreneurship & Innovation
Human Capital	High Poverty	University-Driven Economic Development
Natural Resources	Limited Industry Diversity	Industry Diversification
Regional Position	Graduate Retention	Regional Business Attraction & Investment
Entrepreneurship Potential	Geographic Isolation	

Chapter 3 analyzes the potential of Athens County in utilizing the available assets by overcoming certain structural limitations in generating sustainable high-value economic activities.

The Opportunity Framework

IDENTIFY → EVALUATE → ASSESS → PRIORITIZE

The Central Question

Considering the strengths and limitations of Athens County, which opportunities would offer the greatest potential for long-term economic development?

3.1 Innovation & Entrepreneurship

Overview

There is a possibility for Athens County to capitalize on innovation and entrepreneurship as the means of transforming human capital, education and institutional capital into economic activity. In Chapter 2, it was found that there are several assets that could help the development of entrepreneurship in Athens County, such as the existence of Ohio University, well-educated labor force, and some existing businesses and non-employers. However, there is also an existence of structural constraints such as the low industry diversity, low income, limited market access, and inability to retain graduates. This necessitates the development of economic development efforts that would not be dependent on the attraction of external employers. Instead, it would be better if the development of the entrepreneurial environment could enable Athens County to produce jobs through businesses and innovations in the area itself. It is not only about producing more businesses in the area but rather producing innovative businesses that can create high-value-added employment and connect the Athens County to markets outside the region.

Innovation & Entrepreneurship Profile

Table 3.1 – Entrepreneurship & Business Activity in Athens County and Ohio

Indicator	Athens County	Ohio	Economic Significance
Employer Establishments, 2023	1,030	255,049	Measures businesses with paid employees
Non-employer Establishments, 2023	3,767	909,227	Highlights small-scale business activity and self-employment
Total Employment, 2023	13,467	5,081,279	Measures the base of employment supported by businesses
Annual Payroll	$570.5 Million	$302.5 billion	Shows the economic value generated through employment

Source: U.S. Census Bureau, County Business Patterns and Non-employer Statistics, 2023.

There is already an existence of a favorable business environment within Athens County. In 2023, there were 1,030 establishments and 3,767 non-establishments within the county. The existence of business establishments and non-establishments indicates some level of economic activity in both types of economic activities in the county. Nevertheless, the relatively small number of businesses and $570.5 million in payroll income shows that the level of development of the private sector in Athens County is small.

Table 3.2 – Athens County Entrepreneurial Assets

Current Asset	Potential Economic Role
Ohio University	Brings research, innovation, talent, and student entrepreneurship
Human Capital	Potential employees and skilled founders
Existing Business Base	Local business networks and entrepreneurial experience
Non-employer Businesses	Foundation for future business growth and self-employment
Financial Institutions	Access to traditional business financing
Economic Development Organizations	Business support, funding resources, and technical assistance

The Athens County region has many resources that could help develop a good entrepreneur ecosystem. First, Ohio University offers access to students, faculty, and research capabilities. In addition, the current businesses and non-employing firms in Athens County offer an already existing resource of entrepreneurship. The main challenge is how to better utilize the current resources such that businesses are formed, grow, and thrive in the area.

Analysis

Athens County currently has a number of the fundamentals required to foster entrepreneurship, yet such assets have failed to produce a large and diverse private economy for the region. The fact that Athens County has some level of entrepreneurship is evident from its current state of affairs, while Ohio University is an excellent source of talent and knowledge for the region. The task at hand is to find a way to link these assets together so that businesses are able to grow into bigger enterprises.

Among the biggest obstacles is the small size of the local market. Companies whose primary focus lies in the consumption of Athens County must deal with a relatively small number of customers, limiting their scope of scaling operations. This creates particular importance for businesses that have the capacity to serve regional, national or even internet markets. Ohio University could help in this respect by making connections between its students and professionals with local companies. Otherwise, graduates would just keep leaving the area in search of bigger markets and better career options.

As a result, the challenge for Athens County is not only about having more businesses, but enhancing the quality, scalability, and network of entrepreneurs. Having a robust entrepreneurial environment may enable Athens County to transform its human capital and its business base into

firms that generate value-added jobs, attract investment, and open to wider markets. This way, entrepreneurship will tackle some of the structural issues mentioned in chapter two.

Key Takeaways

- Athens County is currently equipped with an entrepreneurial base in the form of local businesses, non-employers, and skilled labor force.
- Ohio University is one of the key advantages in making use of education and research to promote local business growth.
- The local market being small prevents those businesses that are dependent on local demand from growing.
- The best potential for growth exists in creating novel businesses that are scalable and can operate in other markets apart from Athens County.

Sources

- U.S. Small Business Administration
- U.S. Census Bureau
- Ohio University
- Ohio Department of Development
- Athens County Economic Development Council

3.2 University-Driven Economic Development

Is it possible for Ohio University to become more of an economic development engine?

Overview

Ohio University stands as one of the greatest economic resources in Athens County and offers resources that are rare for a rural Appalachian community. Ohio University provides human capital, research, skillful labor and constant influx of students and alumni to the area. On the other hand, as demonstrated in Chapter 2, the great educational resources in Athens County have not been able to contribute to the same degree of income, diversity of industries and economic success. This clearly indicates that the existence of a large university does not ensure economic development per se. More economic benefits would be derived from the better integration of Ohio University within the area economy through means of entrepreneurship, commercializing research, partnering with industry, and job creation. Through the better integration of the university's human and institutional resources to businesses and entrepreneurs, Athens County could utilize Ohio University not only as an educational center but also as a greater source of innovation and investment.

University Economic Impact Profile

Table 3.3 – Ohio University's Regional Economic Role

Indicator	Value	Economic Significance
University Enrollment	23,264	Provides a large and continuously renewed population of students
Institution Type	Public Research University	Provides education, research, and innovation capacity
Major Employer	Ohio University	Largest Employer in the county
Regional Role	Education & Economic Institution	Generates employment, talent, demand, and institutional resources

Ohio University maintains an economic existence, not just through its status as an educational institute but rather because of the presence of the student body and the economic activity generated from it. Economic activity takes place due to the fact that it is a hub for students, has employees, conducts research, and possesses many other resources that could contribute to economic activity in Athens County. In addition, educated people keep coming from Ohio University.

Table 3.4 – University Assets & Economic Opportunities

University Asset	Potential Economic Opportunity
Student Population	Entrepreneurship and talent pipeline
Researchers & Faculty	Specialized expertise and innovation
Research Activity	Industry partnerships and commercialization
Business Programs	Business development and entrepreneurship
Alumni Network	Mentorship, profession connections, and investment
Career Programs	Local employment and graduate retention
University Facilities	Business development, collaboration, and research

This provides Athens County with greater ability to tap into economic value created by Ohio University. The key here is for there to be increased ties between the university and the private sector so that educational and research activity can result in more businesses being formed, investing, and employing people in the region.

Analysis

Ohio University is currently having a significant economic impact on the Athens County area, although the largest economic impact could potentially go well beyond what it does in terms of employment and expenditure. Ohio University has an endless stream of students, alumni, teachers, research, and knowledge that can help in building up businesses in the area. This is a unique asset for the Athens County area, one which a number of other rural areas don't have, namely the capacity to produce economic value from human capital and knowledge in an ongoing manner.

One of the primary opportunities would be to create closer relationships between Ohio University and area businesses. Cooperation among researchers, students, entrepreneurs, and businesses from the area may promote research commercialization, internship programs, entrepreneurship, and development of goods and services that will have potential to enter markets beyond Athens County. Such cooperation would be helpful for the problem of graduate retention discussed in Chapter 2. In case students will be able to find jobs and entrepreneurship opportunities in the area, the amount of human capital created by Ohio University will stay in Athens County rather than move elsewhere.

In order for Ohio University to become a better engine of economic development, however, would be to expand the university not only in size but also in other aspects. The important thing to do would be to integrate the educational institution with the needs of the region's economy. With successful integration of Ohio University into the economy of the region, the university may become the driver of entrepreneurial activity, innovation, investments, and higher-paying

jobs. Thus, the region would be able to leverage on its biggest advantage to overcome some of its biggest shortcomings.

Key Takeaways

- Ohio University is among the main economic assets of Athens County, in terms of human capital, research, employment, and constant presence of students and alumni.
- There is potential for economic development at Ohio University beyond direct employment and spending by means of greater integration with local business and industries.
- Research entrepreneurship, commercialization, and industry connections could assist in converting university assets into regional economic activity.
- University business connections could be improved to increase graduate retention, industrial diversity, and high-value employment within the region.

Sources

- Ohio University
- U.S. Census Bureau
- Ohio Department of Development
- Athens County Economic Development Council
- Ohio University Voinovich School of Leadership and Public Service

3.3 Regional Investment & Business Attraction

Overview

Even though Athens County has important economic strengths, the issue of attracting new businesses and private investment remains a large struggle for the county's long-term economic sustainability. In Chapter 2, it was shown that the county has limited industrial diversity, relatively low incomes, and a strong reliance on education and healthcare services, government, retail, and other locally oriented industries. These challenges could be addressed by attracting outside businesses and investment by bringing in higher-paying jobs, industries, and new capital, and economic opportunities into the area.

Athens County has multiple strengths that could potentially support this effort. Ohio University, an educated workforce, quality of life that comes with a smaller community, and lower operating costs. However, the county also has some drawbacks that could potentially cancel out these positives such as, distance from major metropolitan areas, small population, and limitations in transportation and infrastructure. Due to these challenges, Athens County's approach to business should be formed to take advantage of its current assets, provide higher quality employment, complement the university, and contribute to industry diversity. This approach is much better than just focusing on creating jobs.

Regional Investment & Business Attraction Profile

Table 3.5 – Athens County Investment Environment

Indicator	Characteristic of Region	Economic Significance
Ohio University	Large public research university	Provides human capital, students, research, talent
Regional Population	Small rural population	Limits local consumer and labor market size
Workforce	Educated population, but limited high-paying opportunities	Creates potential for economic innovation but can't sustain it
Location	Appalachian Ohio	Remaining distant from major metropolitan areas
Major Industries	Education, healthcare, government, and retail services	Provides economic stability while industrial diversity is limited
Available land and facilities	Lower-cost real estate compared to large metro areas	Potential for select industries and businesses

Regional infrastructure	Broadband internet and transportation improvements remain important	Quality of infrastructure can influence business location decisions

Table 3.6 – Athens County Investment Environment

Investment Area	Current Opportunity	Regional Impact Potential
Advanced Manufacturing	Utilize regional workforce, lower operating costs, and available land	Greater industrial diversity, and new private-sector employment
Technology and Knowledge-Based Business	Leverage Ohio University's research and talent capabilities	Higher graduate retention and higher-paying jobs
Healthcare and Life Sciences	Expand on Athens' healthcare and university resources	Expansion of specialized services and skilled employment
Entrepreneurship & Startups	Can connect university business/economic talent with local business resources	Technological innovation, new firms, locally created investment
Regional Business Expansion	Help companies that already exist expand rather than simply relying on recruitment	Higher retention of additional investment and local businesses

Analysis

The ability that Athens County has to attract new businesses and investment will depend on its ability to pursue industries that fit the Southeastern Ohio region, rather than trying to fit every type of business. Since large metro areas have large advantages in areas like population, consumer markets, transportation, it makes it difficult for rural areas, like Athens County, to compete for large-scale investment. Instead, the county can focus on opportunities that can complement existing resources, such as Ohio University. Healthcare, advanced manufacturing, professional services, and other industries that are able to function efficiently in a small market could provide opportunities to increase private-sector employment and expand the local economy.

A large benefit regarding regional investment and business attraction is Ohio University. It provides Athens County with a notably valuable opportunity for attraction businesses and encouraging entrepreneurship. It also produces a constantly refreshing supply of educated graduates while simultaneously supplying the region with faculty expertise, facilities, research,

and connections that business could utilize. Developing stronger bonds between the university and private businesses could assist in turning these resources into potential new companies, investment, and research partnerships. This would also help the graduate-retention issue discussed earlier in the report by creating new opportunities for recent graduates of Ohio University to build careers within Athens County, rather than exiting to more metropolitan areas like Columbus or Cincinnati.

As previously mentioned, supporting the expansion of businesses that already operate in Athens County could provide a more stable form of economic development than simply extending beyond recruiting new companies. This is because these companies have already established customers, employees, offices, and connections within the community. At the same time, entrepreneurship, specialized services, and investments in tourism could create more opportunities for smaller businesses and new entrepreneurs. A balanced strategy that combines business recruitment, existing-business expansion, university partnerships, and entrepreneurship would give Athens County multiple pathways to attract investment and gradually build a more diverse and resilient economy.

Key Takeaways

- There is need for more investment from the private sector in Athens County. This would diversify its economy, which would provide better quality employment opportunities.
- The county needs to be going after targeted business attraction that complements its current resources, particularly Ohio University and the resources it provides, and regional resources.
- Ohio University already has the potential to play a major role in attracting knowledge-intensive businesses. This could support entrepreneurship, while at the same time being able to boost graduate-retention statistics.
- Instead of simply attracting new businesses, economic development in the county should also focus on helping existing businesses expand. At the same, prioritizing investment that creates higher pay and long-term economic sustainability is equally important.

Sources

- U.S. Census Bureau
- U.S. Bureau of Labor Statistics
- Ohio Department of Job & Family Services
- Athens County Economic Development Council
- Ohio University Innovation Center (2023 Economic Impact Report)

3.4 Opportunity Assessment

"Where can Athens County grow?"

Overview

The long-term economic stability of Athens County's depends not only on attracting more businesses, but also on identifying which opportunities create the biggest potential to create jobs with higher salaries, make the economy more diverse, and retain more wealth within the region. The county already possesses several foundations for growth including an established healthcare sector, a strong foundation of manufacturing business, a network of local entrepreneurs, and most notably, Ohio University. However, these conditions do not automatically translate into long-term economic sustainability on their own. The most favorable opportunities are those that combine the regional demonstrated demand and realistic potential for expansion, with previously existing regional strengths. Relatively recent data shows that there are large growth potential in professional and business services and manufacturing establishments. On the other hand, Ohio University's Innovation center highlights that technology-oriented entrepreneurship can generate local economic activity as well as generate jobs. That being said, Athens County should prioritize current opportunities based on evidence of growth, their ability to strengthen the regional economy as a whole, and wage potential, rather than attempting to grow every industry and treating them all as equally promising.

Regional Investment & Business Attraction Profile

Table 3.7 – Evidence of Economic Growth Potential in Athens County

Indicator	2024 Figure	Implication
Private-sector establishments	1,212	Existing base for business expansion
Professional and business services establishments	193	Foundation for knowledge-intensive and professional employment
Growth in professional business service establishments since 2017	+41.9%	Very strong figure for establishment growth
Manufacturing establishments	41	Serving as an industrial base for potential expansion
Growth in manufacturing establishments since 2017	+10.8%	Shows growth in an industry that has relatively high wages for the area
Average weekly wage (manufacturing)	$1,250	Potential to support high paying employment relative to the region
Average employment of education and health service locations	3,397	Current steady source of regional employment

Table 3.8 – Priority Areas for Athens County's Economic Development

Opportunity	Supporting Evidence	Main Challenge	Preliminary Priority
Professional and Business Services	Since 2017, 41.9% establishment growth	Access to a sufficient customer base and specialized talent	High
University Connected Entrepreneurship	Innovation Center-supported businesses were associated with 267 jobs and $80.7 million in economic output in Athens County in 2023	Helping startup businesses grow larger while simultaneously remaining in the rural area	High
Expansion of Manufacturing	Since 2017, 10.8% establishment growth with $1,250 average weekly pay	Workforce, infrastructure, and facility requirements	High
Expansion of Existing Businesses	1,212 private-sector establishments in Athens County	Market access, capital, and labor availability	High
Education and Healthcare	3,397 average jobs in education and healthcare	Regional demand and staffing requirements	Medium to High
Tourism and Recreation	Established hospitality sector and leisure, with 2,787 average jobs	High dependability on season and lower wages	Medium

Analysis

University-connected entrepreneurship, professional and business services, and manufacturing highlight three promising areas of interest for expanding Athens County’s private-sector economy. In particular, professional and business services stand out because establishments in this sector experienced a growth, between 2017 and 2024, of 41.9%. This suggests a basis for further investigation of other professional services such as consulting, finance, and technical services. On the other hand, manufacturing provides a different advantage. Its average weekly pay of $1,250 in 2024 was higher, compared to the rest of the sectors in the county, making this sector worth considering for greater employment diversification. On the entrepreneurship side of this equation, Ohio University’s Innovation Center shows that entrepreneurship can generate a relatively large amount of regional economic activity. The businesses it supported were associated with 267 jobs, $7.4 million in annual wages across these jobs, and over $80.7 million in economic results in Athens County in 2023. Although these figures look very promising, they

do not guarantee future growth. However, they provide solid reasons to strengthen these opportunities and investigate them further.

The second priority for Athens County should be helping businesses that already exist expand, while building on fully established industries like education and healthcare. For example, local businesses already have employees, community connections, customers, and if they are expanded upon, can generate investment without requiring the county to attract an entirely new employer and firm from outside the region. Healthcare also serves as an important foundation in Athens County. In 2024, education and health services accounted for 3,397 average jobs. Some possible opportunities may include ideas like specialized healthcare services, businesses that meet regional demand (ex. Local farms), and related professional occupations. Economic development efforts should scrutinize barriers such as workforce availability, access to capital, suitable facilities, and the ability to reach customers beyond the region for both already established industries and existing local businesses. Addressing these challenges can help existing economic activity turn into more resilient local businesses and stronger employment.

Another route to growth by bringing outside spending into Athens County is tourism and recreation offer. This would support hospitality, restaurants, attractions, and other small businesses. However, it's important that tourism shouldn't replace strategies focused on expanding employment with high pay, but it should complement said strategies. In 2024, leisure and hospitality had 2,787 average jobs, but it had one of the lowest average weekly wages ($380). This illustrates why job quality has to be considered alongside employment totals. Looking at this, Athens County should prioritize opportunities that can be observed with demonstrated growth, wage potential, the likelihood of generating long-term benefits for the region, and wage potential. A combination of university-connected entrepreneurship, professional services growth, manufacturing, and existing business expansion provides a stronger starting point than simply relying on a singular industry. Healthcare and tourism have the ability to complement this approach, provided investments respond to real demand and produce measurable benefits for residents.

Key Takeaways

- The main sectors to prioritize are professional services, university-connected entrepreneurship, and manufacturing, given their potential to create higher-paying jobs, drive business growth, and attract investment.
- Addressing challenges such as workforce availability, access to capital, and facility constraints is important in supporting businesses and established industries, particularly sectors like education and healthcare.
- Developing the tourism industry as an additional development opportunity that centers on spending and benefits for businesses could be useful for Athens County. However, it takes into account lower average pay.

- It is important to measure economic development by outcomes and not just activity alone. Outcomes such as wage growth, private investment, business expansion, and the creation of sustainable employment are the most useful in determining strength of outcomes.

Sources

- Ohio Department of Development, Ohio County Profiles — Athens County (2025)
- Ohio University — Innovation Center Economic Impact Report (2023)
- U.S. Bureau of Labor Statistics
- Athens Area Chamber of Commerce — Athens County
- Ohio University — Innovation Center Overview

4.1 Economic Outlook

Where is Athens County headed if current conditions continue?

Overview

Athens County takes up a large portion of the regional economy of Southeastern Ohio. At the same time, it occupies a distinctive position in Ohio's regional economy. The establishment of industries like education and healthcare provide a solid economic foundation, while local businesses, workforce, and entrepreneurial resources create more opportunities for future economic development. The presence of these assets, however, also raises a broader question: to what extent are these assets turning into long-term economic growth throughout the county? The previous analysis highlights the fact that Athens County's challenge isn't simply creating economic activity, but rather confirming that this activity creates lasting benefits through quality employment, business growth, and private investment. The future of Athens County depends on whether it can move beyond maintaining its existing economic foundation toward building an economy capable of generating and retaining more of its own growth.

Stability Versus Economic Transformation

The existing institutions in Athens County provides an important source of economic stability by supporting employment and sustaining demand for local goods and services during peak times of the university's school year. However, economic stability and economic transformation are not the same concept necessarily. To clarify, an economy can maintain important employers and services without dramatically expanding private-sector opportunities and improving the diversity of career paths available to local residents. In Athens County, the most important question is whether the established economic foundation can serve as a platform for broad development instead of functioning mainly as a source of stability. Tighter connections between local businesses, institutions, entrepreneurs, and the regional workforce can help expand the benefits of existing economic activity across the entire county.

The Importance of Retaining Economic Value

Another main consideration when looking at Athens County's economy is how much value generated there remains within the region. Although short-term effects of university research, new investment, visitor spending, and business activity can contribute to local prosperity, their long-term effects depend on whether they can support durable local employment, encourage business expansion, and generate large amount of regional economic activity. If businesses in the region struggle to expand, recent university graduates will likely flee to larger metropolitan areas to pursue career opportunities elsewhere, or visitor spending creates insufficient local business

growth, the county may not maximize the potential of its existing assets. On the contrary, stronger connections between employers, residents, and local business networks can help retain more of the value generated in the region. Examining economic development through a wider lens transfers attention from simply activity alone, to the lasting benefits that economic activity creates.

Long-Term Direction

If the current conditions in Athens County continue with a lack of more deliberate efforts to address these challenges, it may retain its institutional strengths through the university, while making unhurried progress toward a more diversified private-sector economy. However, this is not an inevitable outcome. It illustrates the distinction between possessing economic potential and realizing it. A more ideal pathway would involve converting existing strengths into opportunities for investment, business growth, and sustained employment gains while also lowering barriers that prevent local firms and residents from benefiting. Finally, Athens County's economic outlook will be formed by its ability to build upon the stability it already possesses and turn that stability into a foundation for broader, more resilient prosperity.

5.1 Conclusion

Athens County shows that there is a distinction between currently having economic resources and transferring these resources into lasting economic stability. Overall, the county generally benefits from the presence of Ohio University. An educated population, educational institutions, a network for local businesses, and opportunities for entrepreneurship and investment are examples of areas that Ohio University has a positive impact on. At the same time, these advantages come with persistent economic challenges such as elevated poverty, limited private-sector diversity, lower median household incomes than the state average, and a strong difficulty in retaining recent university graduates. All together, these conditions point to the fact that the county's central challenge is not a total lack of economic assets, but the difficulty of translating the existing resources into more sustainable opportunities for residents.

The economic structure of the county assists in explaining this gap. Industries such as education and healthcare supply the county with a foundation for employment and economic stability, while local businesses contribute more towards the community's commercial activity. However, the concentration of economic activity in already established and thriving institutions and industries limits the amount of opportunities available to residents. Workforce participation challenges, low incomes relative to the state, and infrastructure barriers make the county's economic outlook more complicated. These hurdles highlight why economic development must address the quality, accessibility, and long-term sustainability of the opportunities that activity creates, and not simply the amount of activity occurring in the area.

There are multiple pathways that could assist in addressing these challenges. One way is taking advantage of university-connected entrepreneurship that can be converted into research, knowledge, and talent into new commercial activity and businesses. Industry diversification, through professional and businesses services and some manufacturing opportunities, could expand Athens County's economic foundation as well as creating additional pathways. Another practical route to growth is by supporting existing businesses by helping employers invest, expand, and hire locally. The attraction of regional businesses can complement these efforts; however, its effectiveness will rely on Athens County being able to connect aspiring businesses with the workforce, infrastructure, capital, and markets that are necessary to operate successfully.

Most central to this strategy is Ohio University. Even though the university is the county's largest employer and biggest opportunity for growth, its presence alone cannot guarantee broader economic stability. The long-term economic value of the university relies on how effectively its resources, such as educational research and entrepreneurial resources, connect with the surrounding community outside of the university environment. If the university is able to maintain stronger relationships between local businesses, entrepreneurs, investors, and economic development organizations, then the county may have greater success in retaining graduates, supporting commercialization, and creating more lasting opportunities apart from the university itself. At the same time, Athens County's development should build on its current assets in

education and healthcare rather than treating diversification as a replacement for institutions that already strongly support the county. A strong economy would combine this foundation with a wide range of private-sector opportunities.

The long-term economic stability of Athens County will depend on how well it can turn current strengths into a more productive and diversified local economy. Economic progress should be assessed by more measurable results such as business expansion, higher wages, sustained private investment, stronger career opportunities, and greater economic participation among residents instead of simply by the number of development initiatives or businesses attracted. There is not a single initiative or industry that can guarantee these results. However, Athens County possesses a foundation upon which further progress can be built. The Athens County economy's long-term success will depend on how effectively it can connect its workforce, institutions, businesses, and investment opportunities to convert economic stability into broader and more lasting prosperity.

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The Opportunity Report

Understanding What Creates Lasting Economic Opportunity

Athens County, Ohio

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