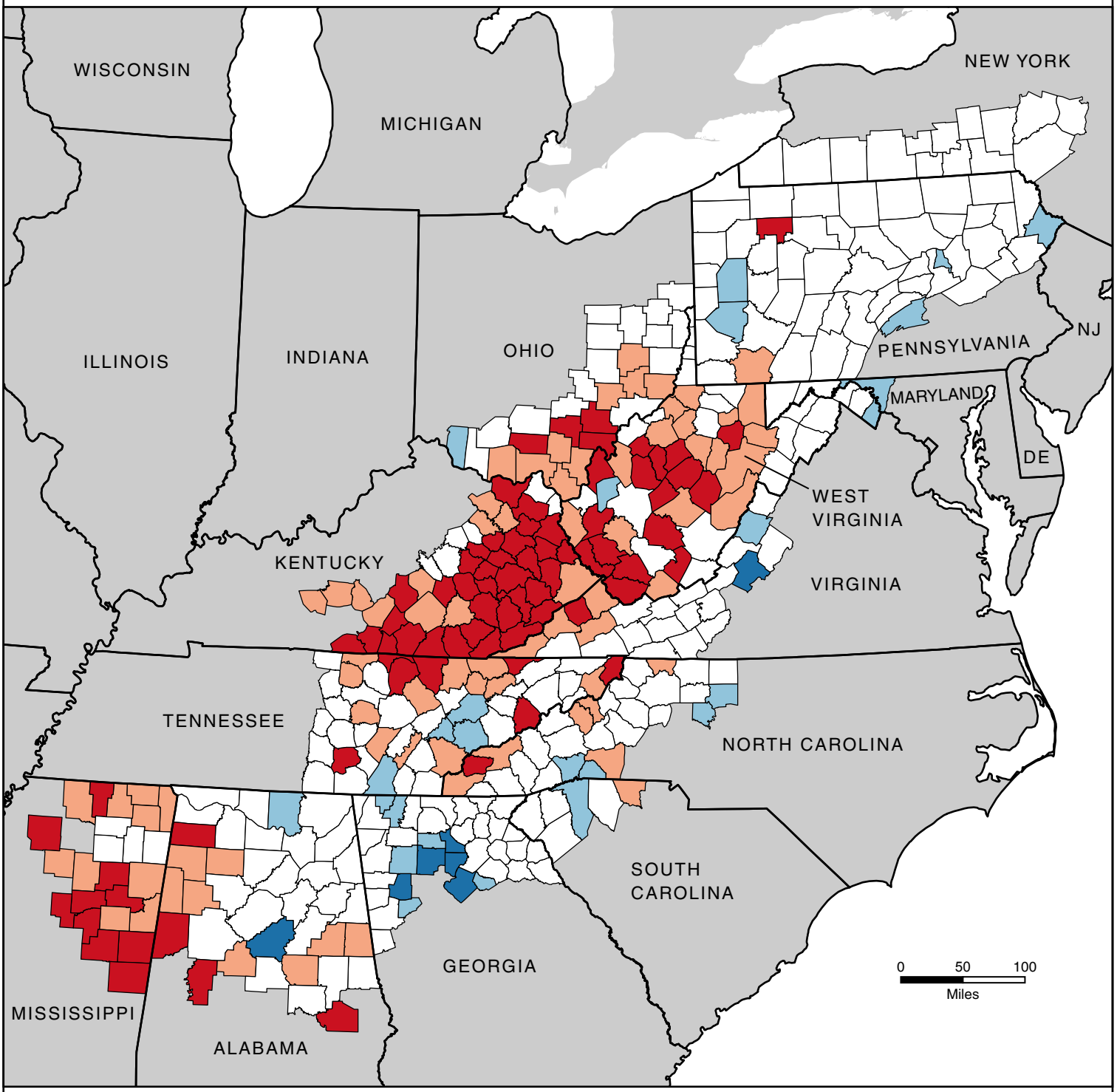
# County Economic Status in Appalachia, Fiscal Year 2007

(Effective October 1, 2006 through September 30, 2007)




The Appalachian Regional Commission uses an index-based county economic classification system to identify and monitor the economic status of Appalachian counties. See the reverse side for a description of each economic level.

County Economic Levels

- Distressed (78)
- At-Risk (78)
- Transitional (221)
- Competitive (26)
- Attainment (7)

ARC APPALACHIAN REGIONAL COMMISSION

Map Created: September 2006.
Data Sources: U.S. Bureau of Labor Statistics, LAUS, 2002-2004;
U.S. Bureau of Economic Analysis, REIS, 2003;
U.S. Census Bureau, 2000 Census, SF3.

## County Economic Status Classification System, FY 2007

The Appalachian Regional Commission (ARC) uses an index-based county economic classification system to identify and monitor the economic status of Appalachian counties. The system involves the creation of a national index of county economic status through a comparison of each county's averages for three economic indicators—three year average unemployment rate, per capita market income, and poverty rate—with national averages. The resulting values are summed and averaged to create a composite index value for each county. Each county in the nation is then ranked, based on its composite index value, with higher values indicating higher levels of distress.

***County Economic Levels***

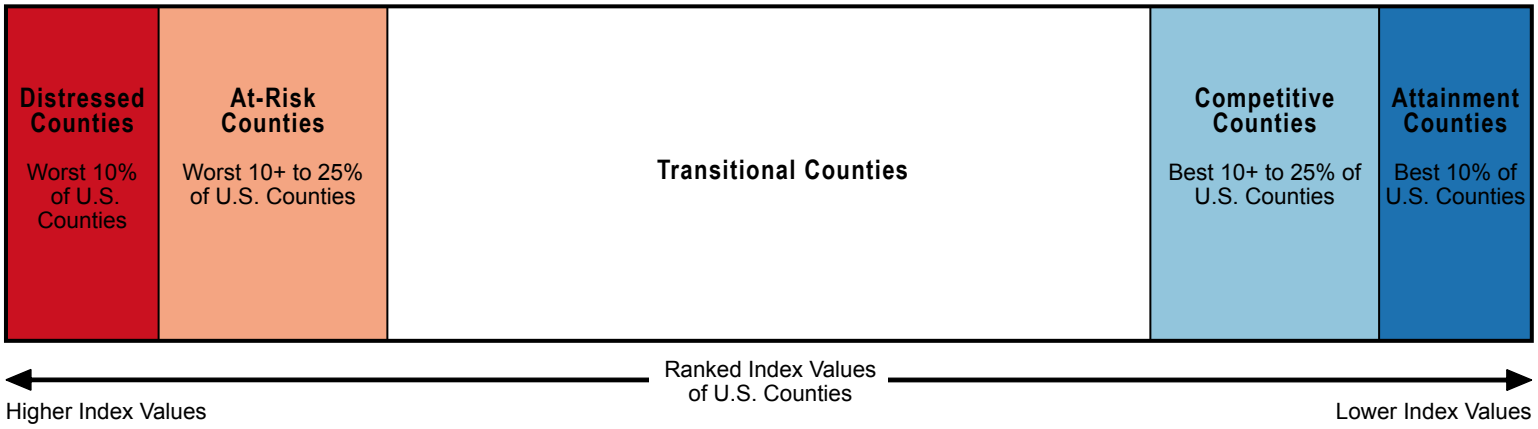
Each Appalachian county is classified into one of five economic status designations, based on its position in the national ranking.

**Distressed**
Distressed counties are the most economically depressed counties. They rank in the worst 10 percent of the nation's counties.

**At-Risk**
At-Risk counties are those at risk of becoming economically distressed. They rank between the worst 10 percent and 25 percent of the nation's counties.

**Transitional**
Transitional counties are those transitioning between strong and weak economies. They make up the largest economic status designation. Transitional counties rank between the worst 25 percent and the best 25 percent of the nation's counties.

**Competitive**
Competitive counties are those that are able to compete in the national economy but are not in the highest 10 percent of the nation's counties. Counties ranking between the best 10 percent and 25 percent of the nation's counties are classified competitive.

**Attainment**
Attainment counties are the economically strongest counties. Counties ranking in the best 10 percent of the nation's counties are classified attainment.

**ARC County Economic Status Designation by National Index Value Rank**