

# ***Sustaining the Golden Goose: The Dynamics of Growth in Resort Communities, & What They Can Do About It***

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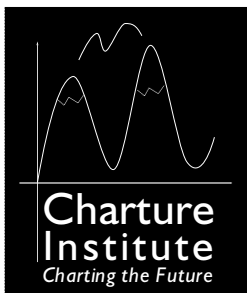
## ***A Presentation by:***

Jonathan Schechter, Executive Director  
The Charture Institute  
Jackson, Wyoming

## ***A Presentation to:***

*Club 20 Spring Meeting 2008  
Grand Junction, Colorado – April 5, 2008*

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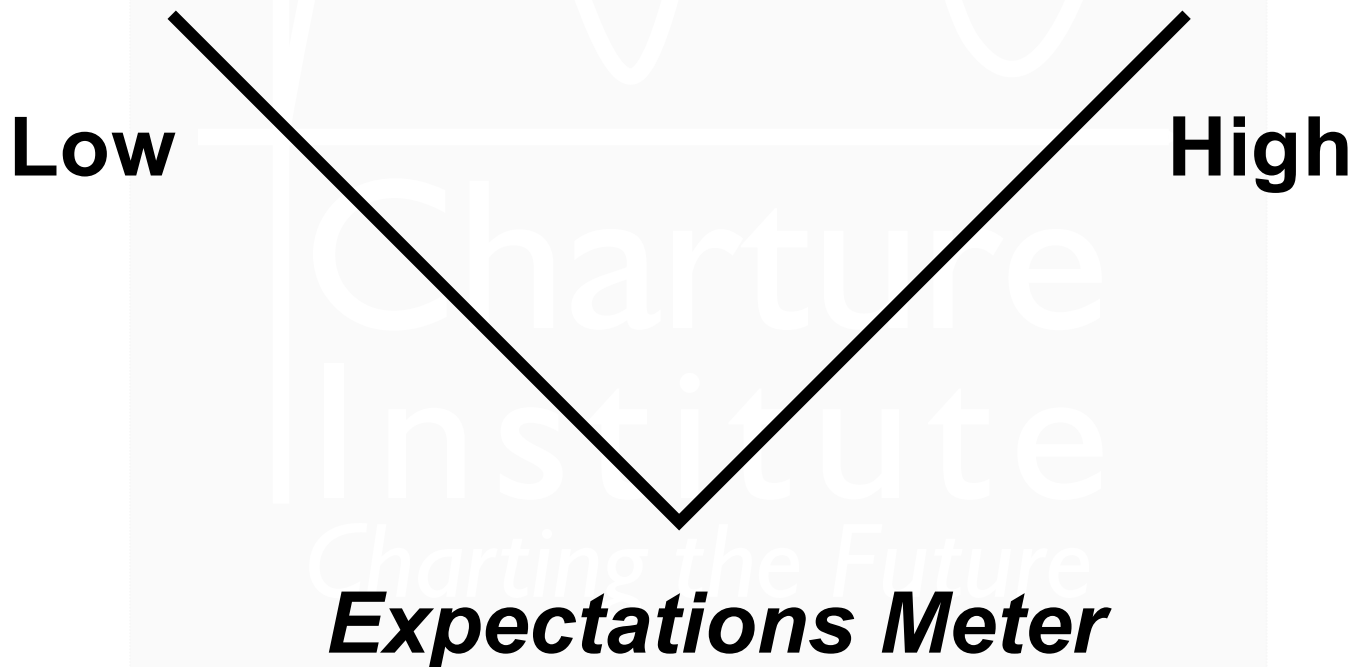
**Charture.org**

# S=R-E – The Equation For Life

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**Satisfaction equals Reality minus Expectations**

- If your expectations are high, reality has to be really high for you to be satisfied
- So, what should you expect from this presentation?



# From a Column in *Planet JH* – 4Oct06

NEWS WWW.PLANETJH.COM UPDATED DAILY FREE

October 4-10, 2006 | Vol. 4 Issue 42

# Planet

## JACKSON HOLE WEEKLY

### GLASSING the HUNT

A story about hunting for those who do and a must-read for those who don't.  
Page 11

Cover illustration by Nathan Bennett  
www.nathalbennett.com

AND MORE... ASTROLOGY | ADVICE | GOING GREEN | DINING GUIDE | CLASSIFIEDS

**NEWS**

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Campaign promises, King climbers

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Sick! 35  
Ski Nick kicks off season

ArtBeat 36  
Sims debuts at Trailside

'A Redneck Perspective'  
by Clyde Thornhill

Today's Subject:  
Redneck Economics

"Has anyone been able to finish one of Jonathan Schechter's articles in the *News&Guide*?"

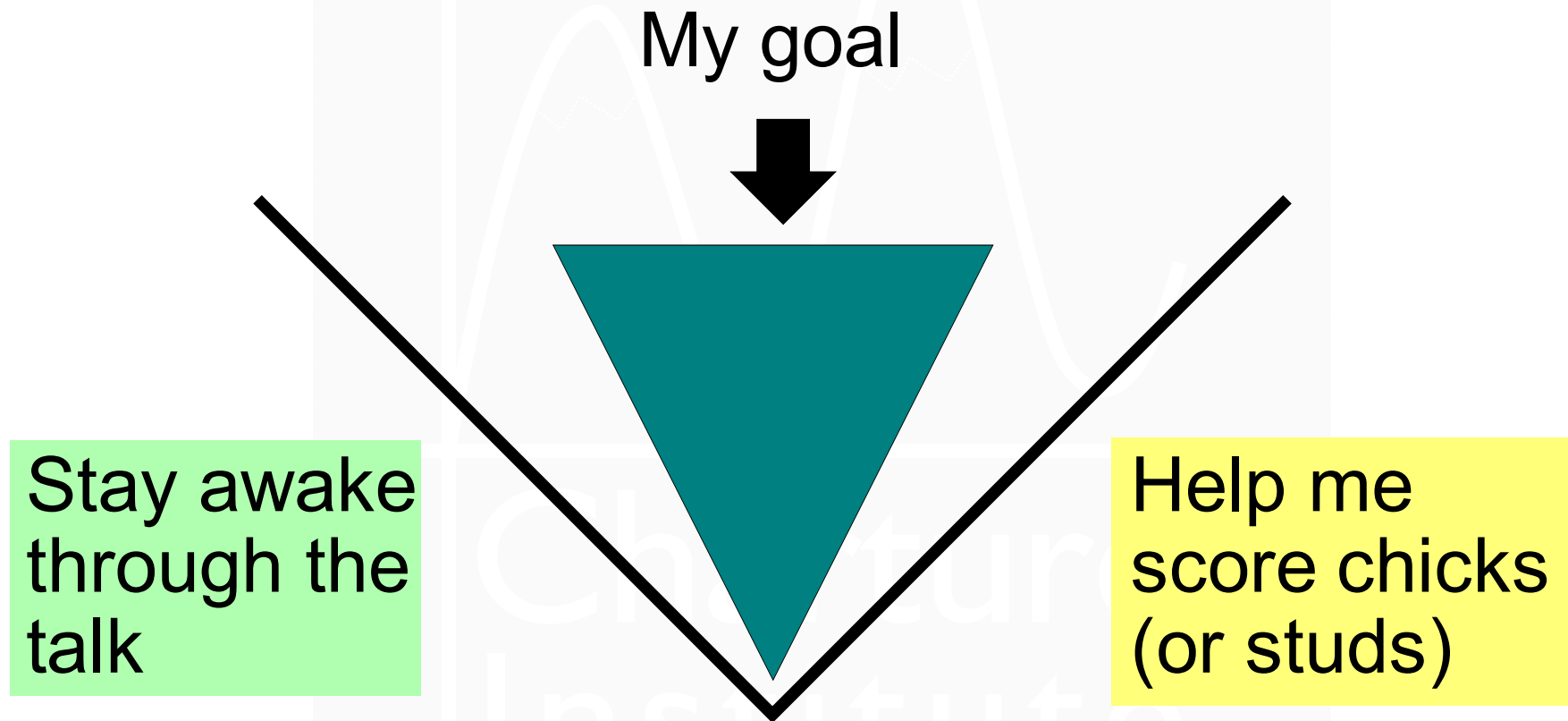
Gross National Product times the square root of inflation divided by retail sails (sic) ...

How does that help you score chicks?"

# What You Should Expect From This Talk

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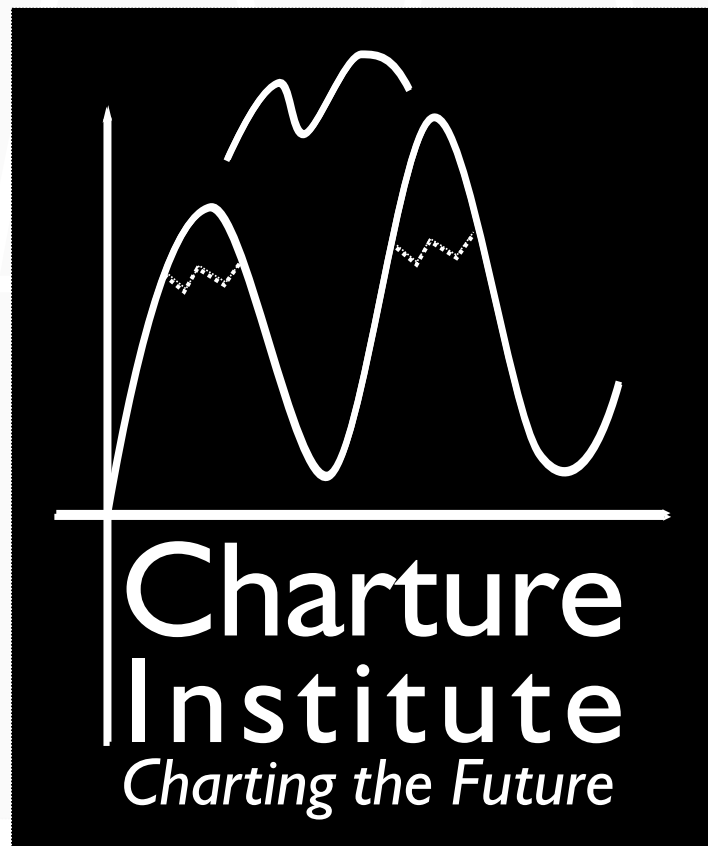
More than boring; less than how to score chicks/studs



***Expectations Meter***

# The Charture Institute

Founded to examine PEAS (Places of Ecological and Aesthetic Significance), places such as resort and national park gateway communities. In practice, a three-legged stool.

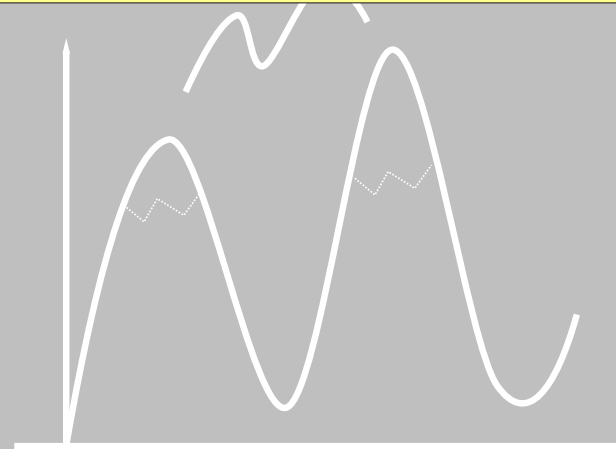


# The Charture Institute

Founded to examine PEAS (Places of Ecological and Aesthetic Significance), places such as resort and national park gateway communities. In practice, a three-legged stool.

## Founding Hypothesis

*Resorts & gateways are growing and changing more rapidly than the nation as a whole. They share this and other qualities, but aren't learning from each other.*



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*Charting the Future*



# The Charture Institute

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## Founding Hypothesis

*Resorts & gateways are growing and changing more rapidly than the nation as a whole. They share this and other qualities, but aren't learning from each other.*

**Leg 1:  
Research**

**Leg 2:  
Actions**

**Leg 3:  
Funding**

PEAS

Sustaining Jackson Hole  
**Charture**  
Institute

*Charting the Future*



# Point of Departure: Median Home Prices

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**Median price of US home in 1990 = \$79,100**

**Median price of in 1980 = \$37,300**

**Difference = \$31,800**

- Of America's 3,140 counties, the top 10 in 1980-1990 median home price increase:
  - *New York, NY (island of Manhattan)– \$394,300*
  - *Pitkin, CO (Aspen) – \$252,700*
  - *San Mateo, CA (suburb of San Francisco) – \$219,500*
  - *Nantucket, MA (Nantucket Island) – \$214,700*
  - *Marin, CA (suburb of San Francisco) – \$203,200*
  - *Westchester, NY (suburb of New York City) – \$199,800*
  - *San Francisco, CA (city of San Francisco) – \$194,300*
  - *Santa Clara, CA (suburb of San Francisco) – \$180,000*
  - *Santa Cruz, CA (suburb of San Francisco) – \$162,000*
  - *Fairfield, CT (suburb of New York City) – \$157,500*



# Median Home Prices II: 1990-2000

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**Median price of US home in 2000 = \$119,600**

**Median price of in 1990 = \$79,100**

**Difference = \$40,500**

- Of America's 3,140 counties, the top 10 in 1990-2000 median home price increase:
  - *New York, NY (island of Manhattan)– \$512,700*
  - *Pitkin, CO (Aspen) – \$297,200*
  - *Nantucket, MA (Nantucket Island) – \$278,100*
  - *Eagle, CO (Vail) – \$233,200*
  - *Teton, WY (Grand Teton NP; Jackson Hole) – \$232,000*
  - *San Miguel, CO (Telluride) – \$206,400*
  - *Summit, CO (Breckenridge) – \$196,000*
  - *Summit, UT (Park City) – \$188,200*
  - *Routt, CO (Steamboat) – \$173,600*
  - *Blaine, ID (Sun Valley) – \$161,400*

# The A9 Counties

**The "Archetypal 9" – 9 counties which serve as archetypes for understanding the growth and change going on in resort & gateway towns – in fact, in all "nice" places to live – throughout the nation, world**

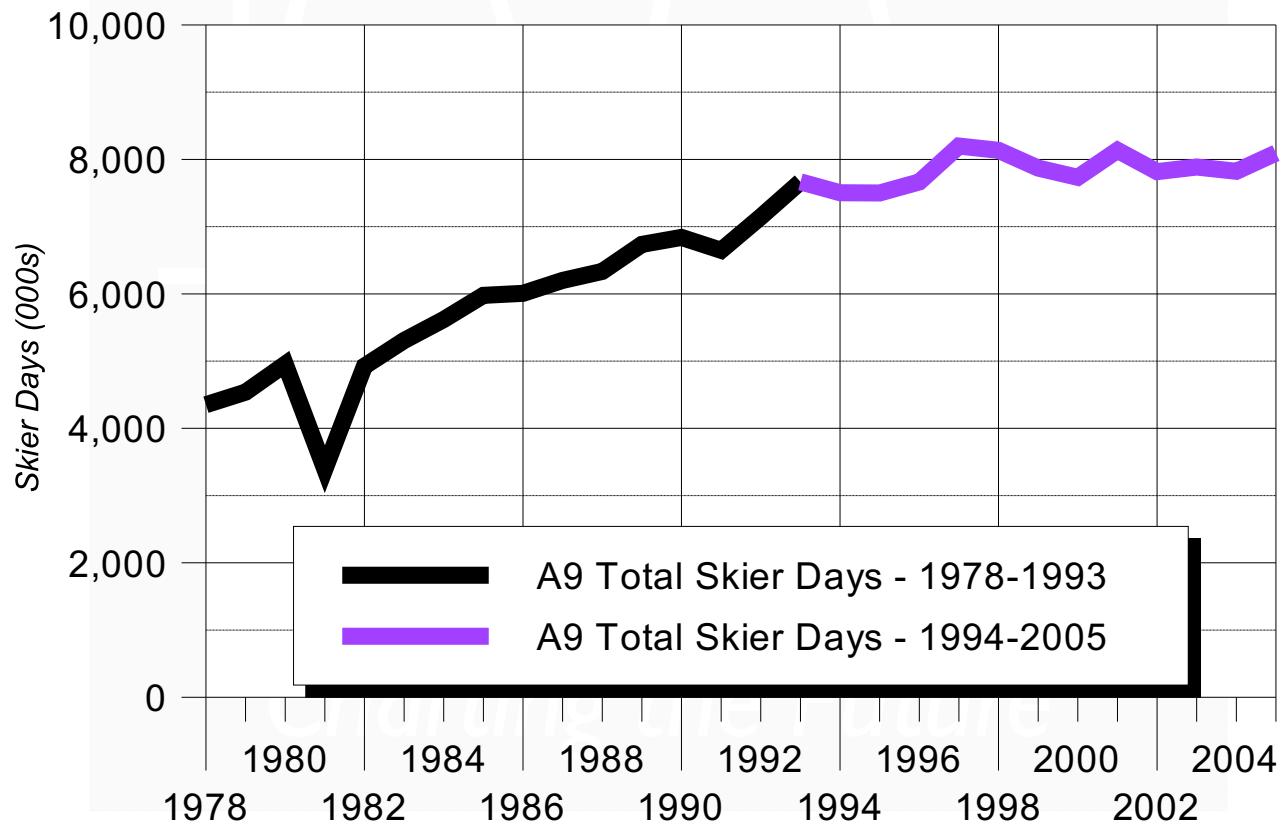
- Eagle, CO (Vail)
- Pitkin, CO (Aspen)
- Routt, CO (Steamboat)
- San Miguel, CO (Telluride)
- Summit, CO (Breckenridge)
- Blaine, ID (Sun Valley)
- Nantucket, MA (Nantucket Island)
- Summit, UT (Park City)
- Teton, WY (Grand Teton NP; Jackson Hole)

# Logical Disconnect – Winter Version

If these counties have tourism-based economies, how could their economies boom if skier days were stagnating?

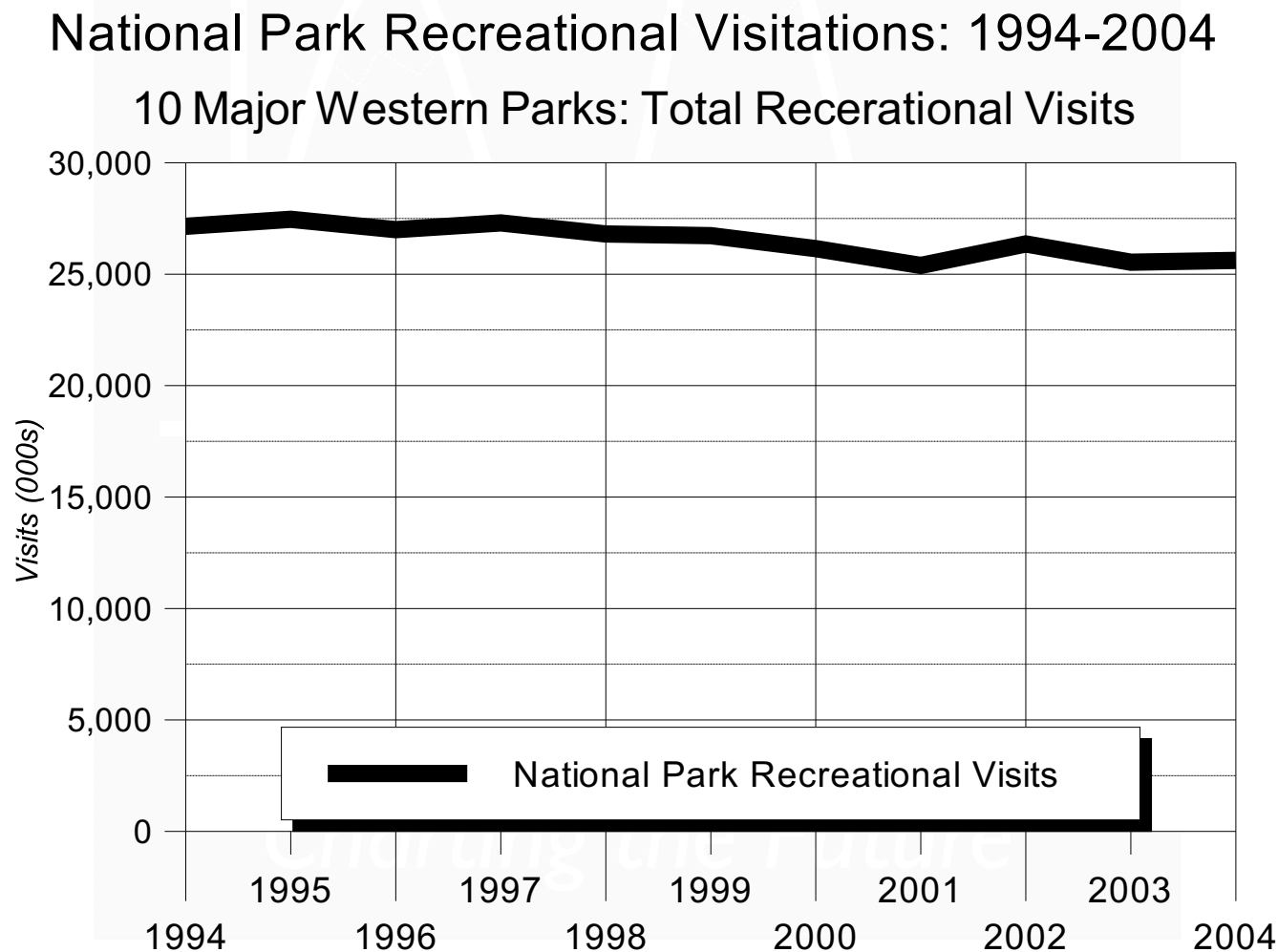
A9 Counties - 10 Major Ski Areas: 1978-2005

Total Skier Days



# Logical Disconnect – Summer Version

If these counties have tourism-based economies, how could their economies boom when national park visitation is down?



# Tell 'em What You're Gonna' Tell 'em

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## 4 points I hope you'll take away from this talk

- The A9 have what America increasingly wants: Lifestyle
  - *My view: The A9 are the archetype for where Club 20 counties are headed*
  - *Complicating leaders' jobs is Club 20's "lifestyle plus hydrocarbon" boom*
  - *Do you agree? If so, do you have the tools to cope with these changes?*
- The change sweeping over the A9 is both rapid and profound
  - *Arguably, it's even more complicated for the Club 20 region, as the A9's lifestyle-driven growth is combining with the hydrocarbon boom*
- The great challenge facing our communities is recognizing what makes them attractive, then effectively acting to sustain those qualities. This is the secret to long-term economic success in a lifestyle economy world
- Because this change is far more than government alone can deal with, addressing it will require a new type of leadership in our communities, "4th Generation Leadership"
  - *Schechter's maxim: economies change faster than perceptions; perceptions change faster than politics*

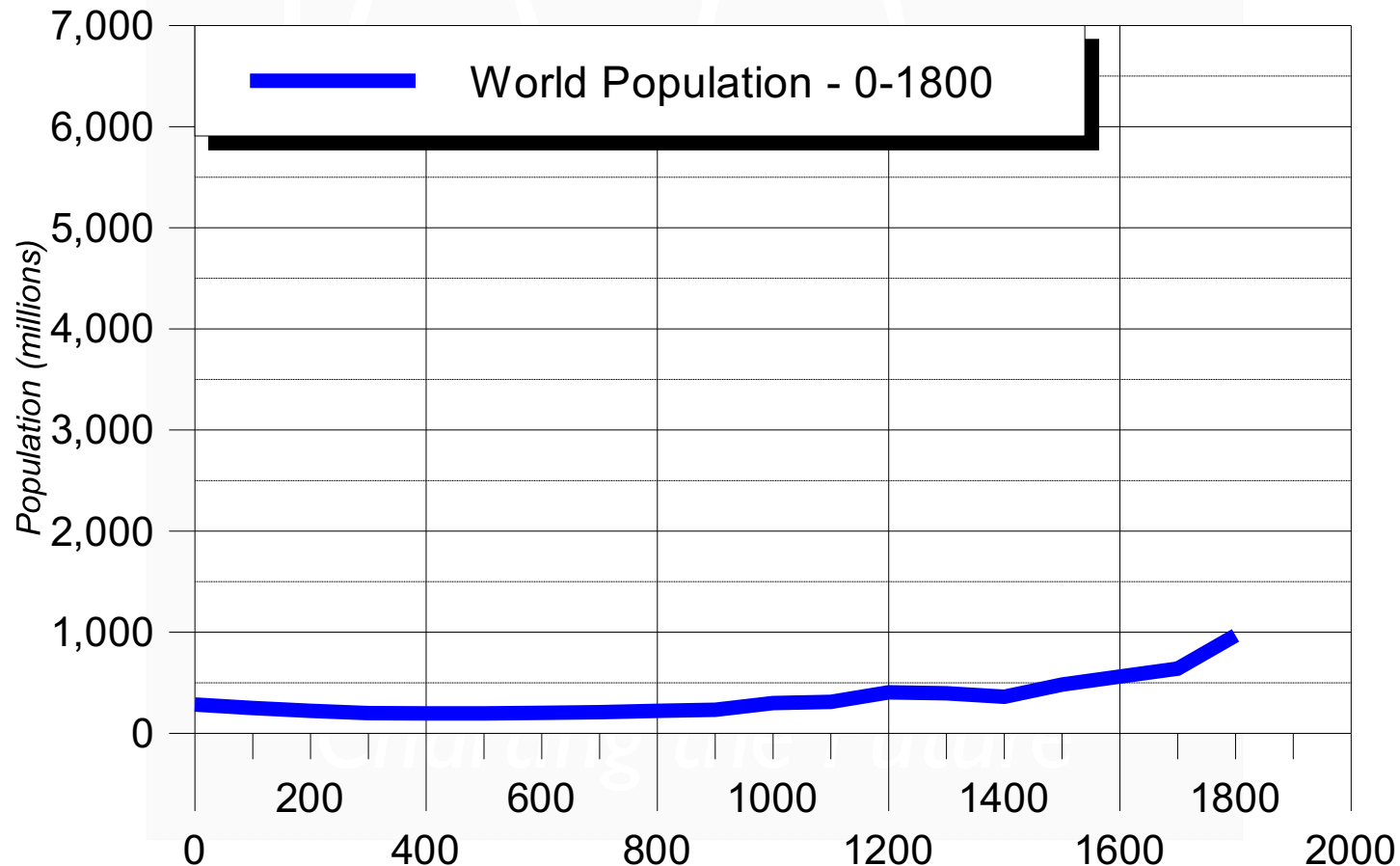


# Part 1 – How the A9 are Changing

**Context – The world's population stayed flat 0-1100 C.E.; started taking off with the Industrial Revolution in 1700s**

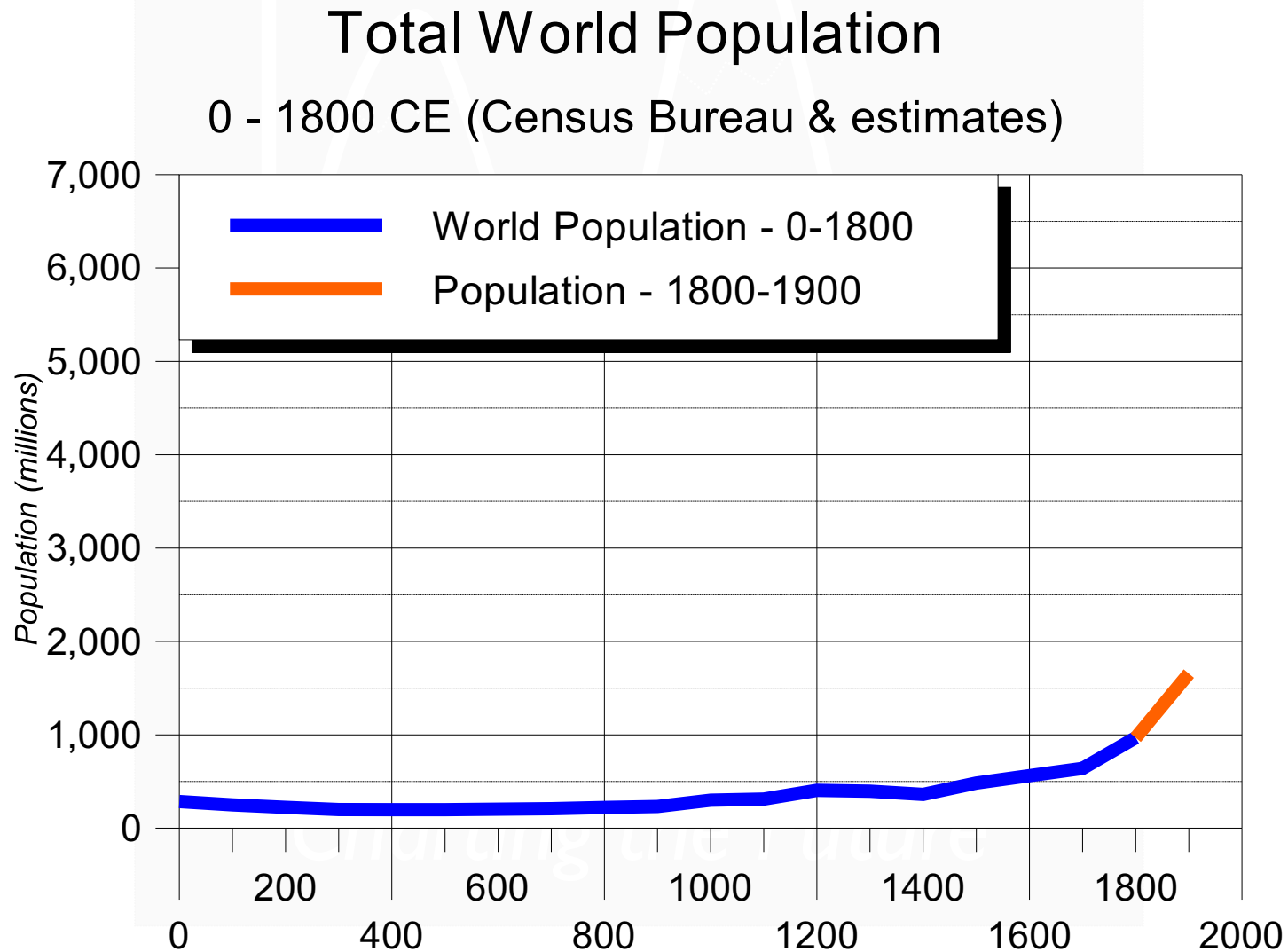
## Total World Population

0 - 1800 CE (Census Bureau & estimates)



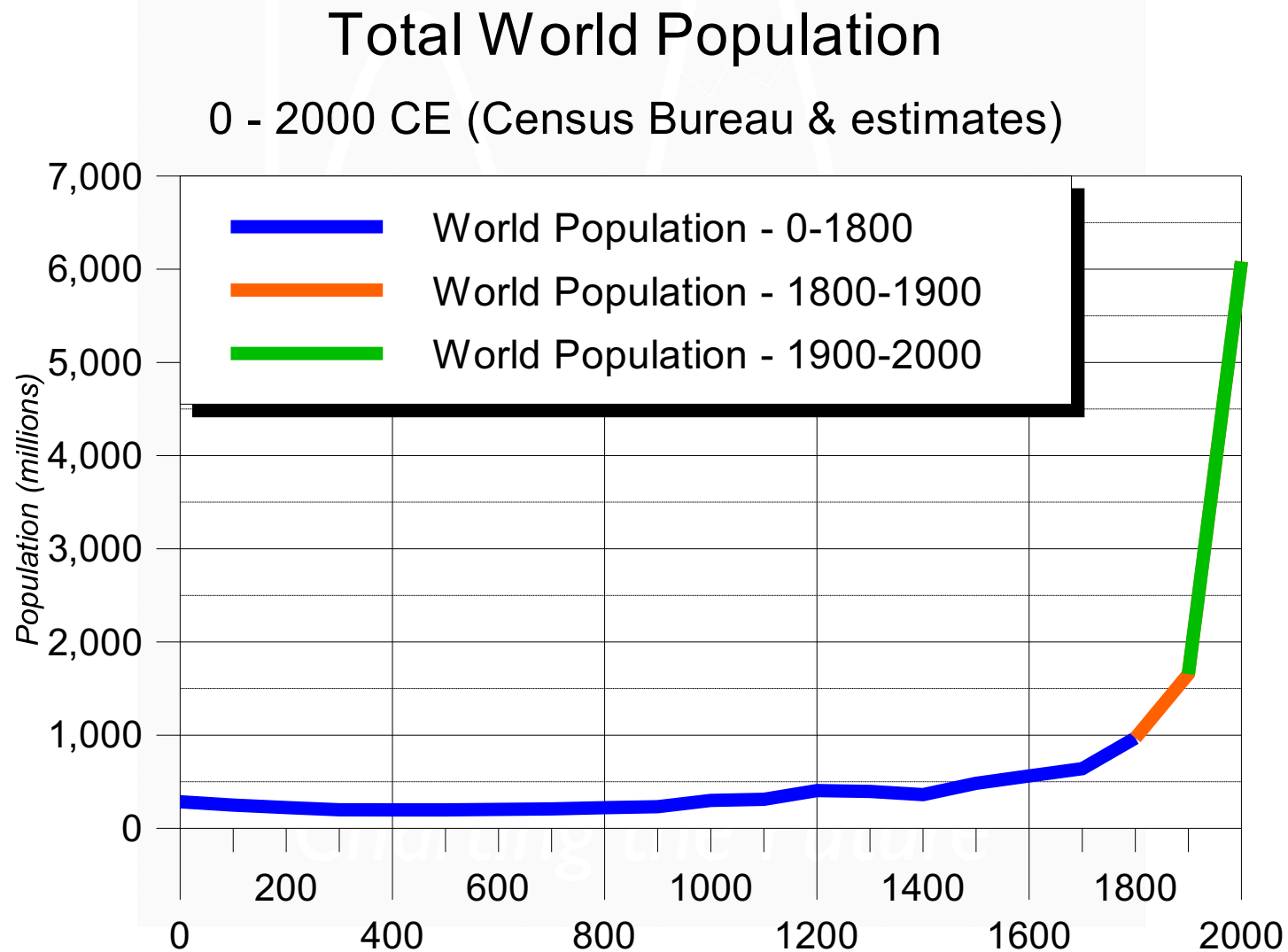
# Changes in the World – Demographics II

As Industrial Revolution took hold, population grew 70%



# Changes in the World – Demographics III

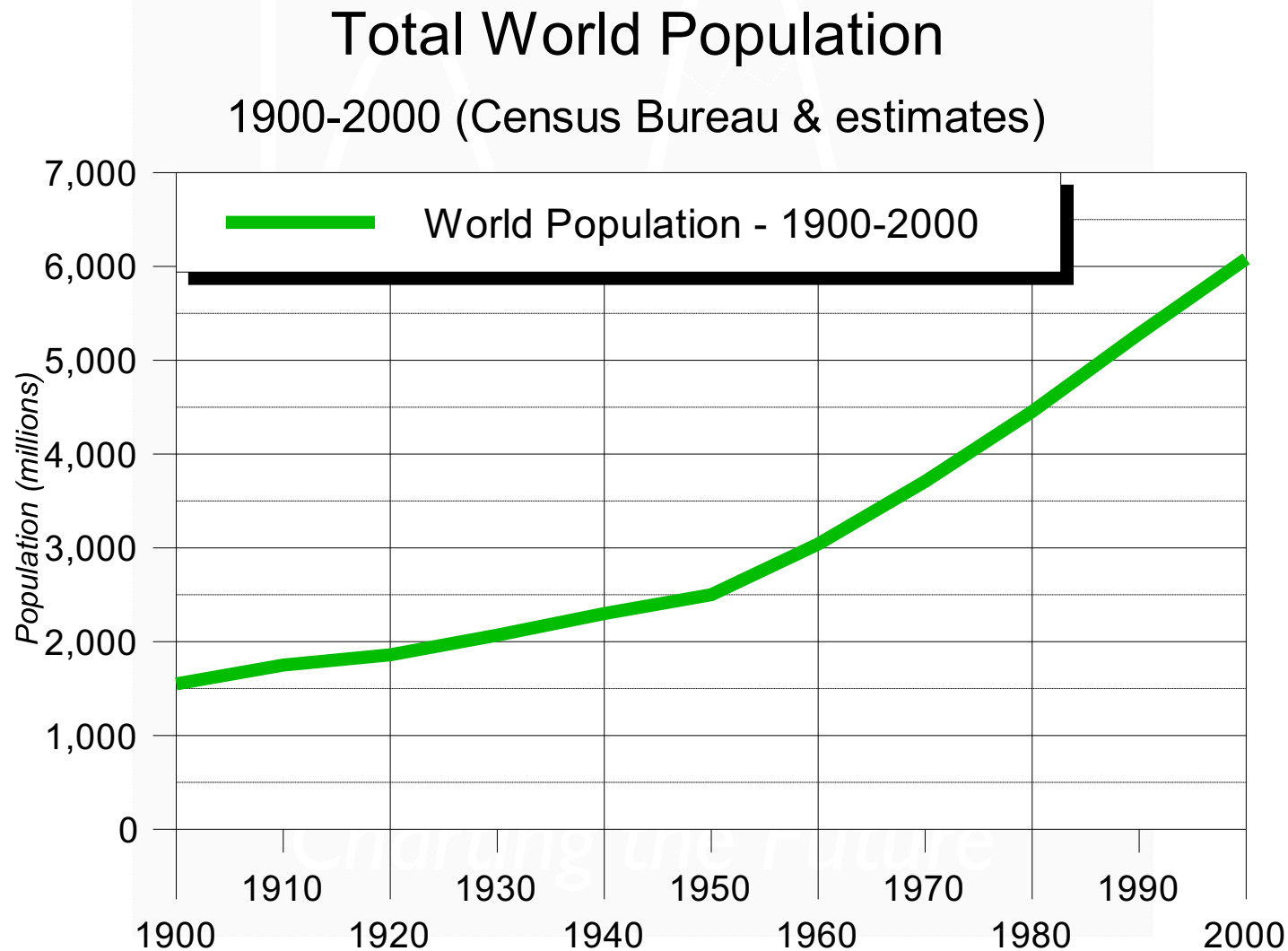
During the 1900s, the world's population quadrupled





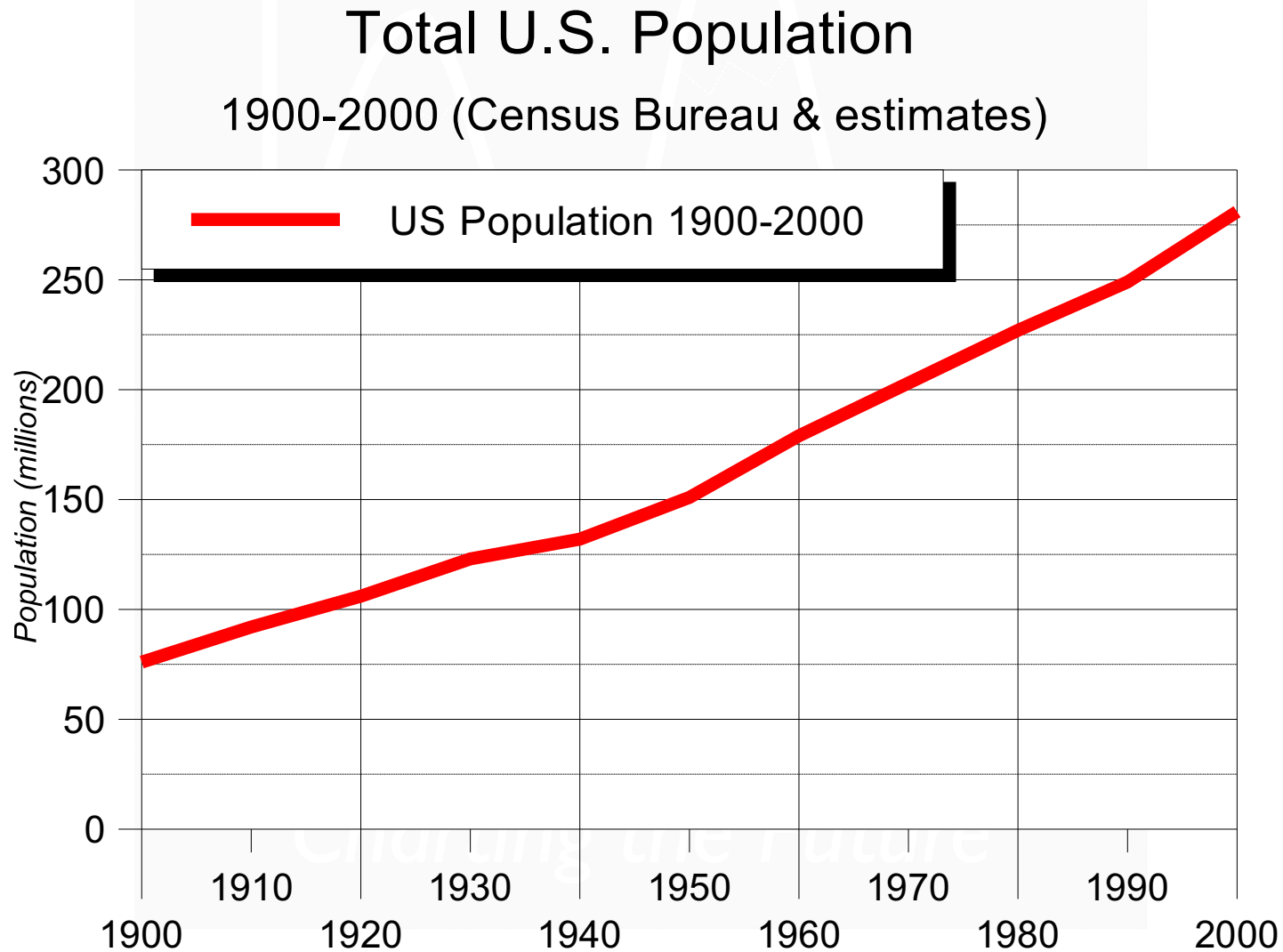
# Changes in the World – Demographics IV

From 1960-2000, the world's population grew by 3 billion



# Changes in the US – Demographics V

During the 1900s, America's population almost quadrupled

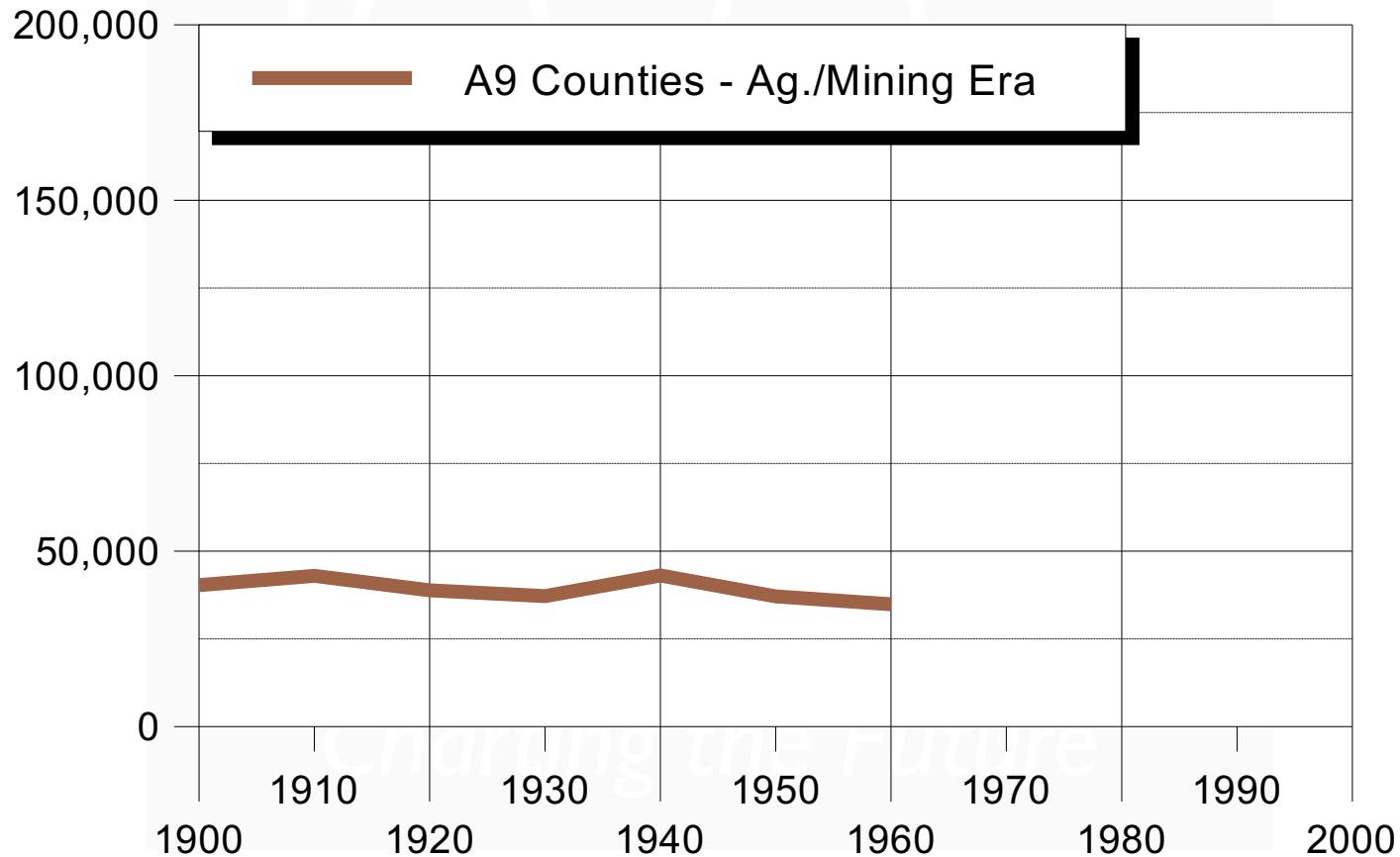


# Changes in the A9 – Demographics VI

60 years of ag./mining; developing “community character”

## A9 Counties Population Growth: 1900-2000

Total Permanent Population of the A9 Counties

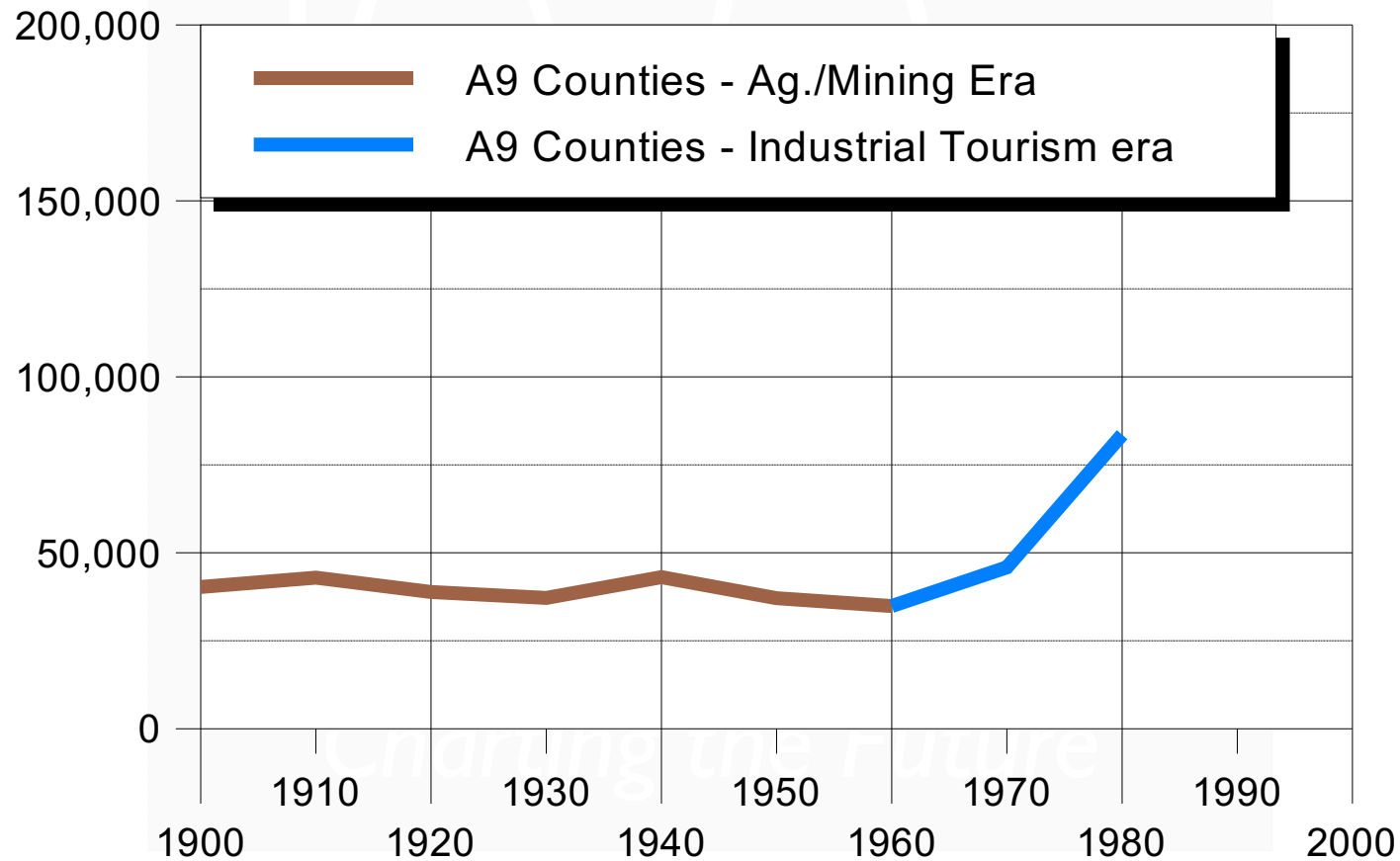


# Changes in the A9 – Demographics VII

Skiing started to boom in mid-1960s; ski bums followed

## A9 Counties Population Growth: 1900-2000

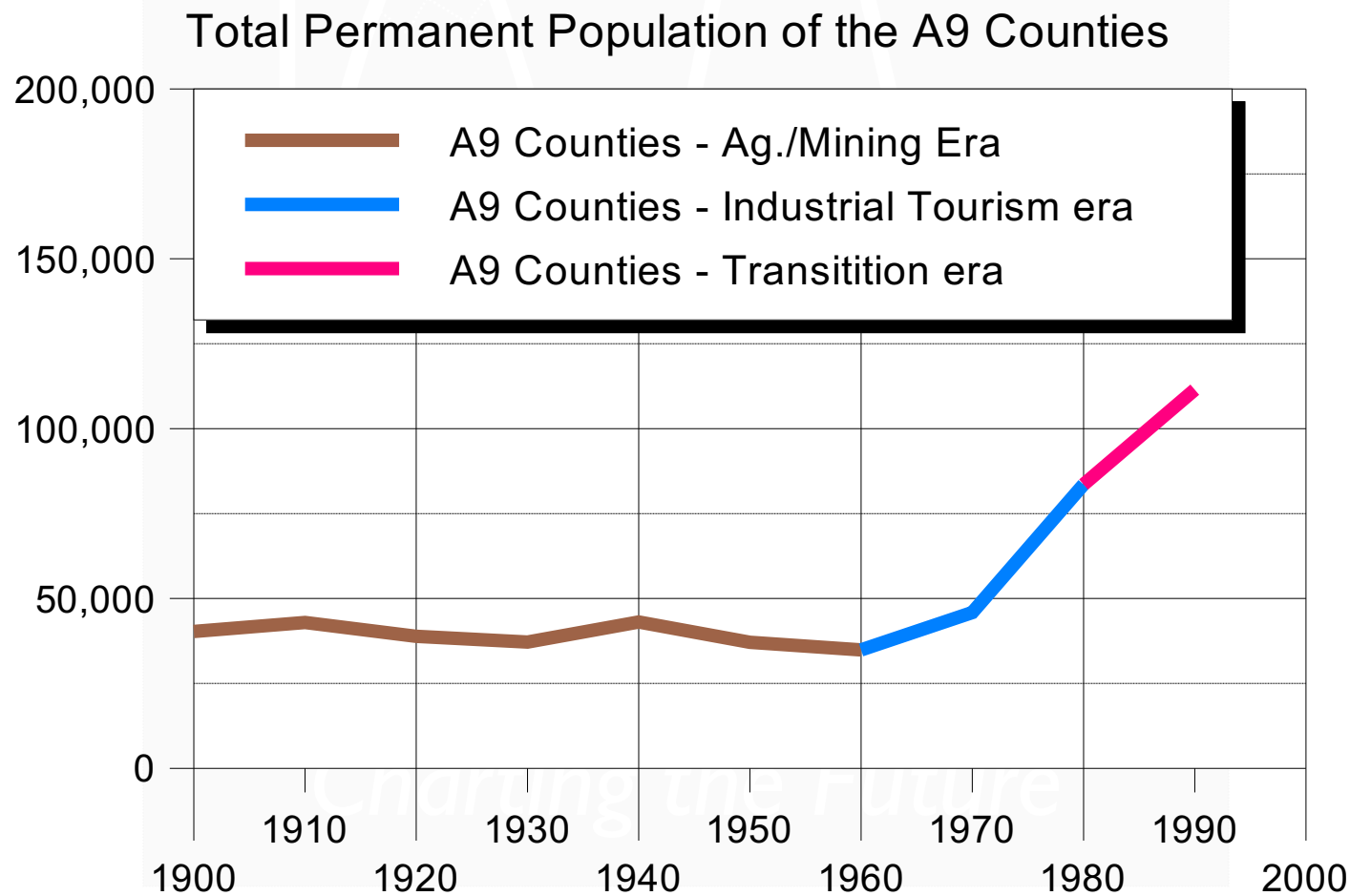
Total Permanent Population of the A9 Counties



# Changes in the A9 – Demographics VIII

In hindsight, the 1980s were a transition period; growth slowed (both # and %) from the 1970s

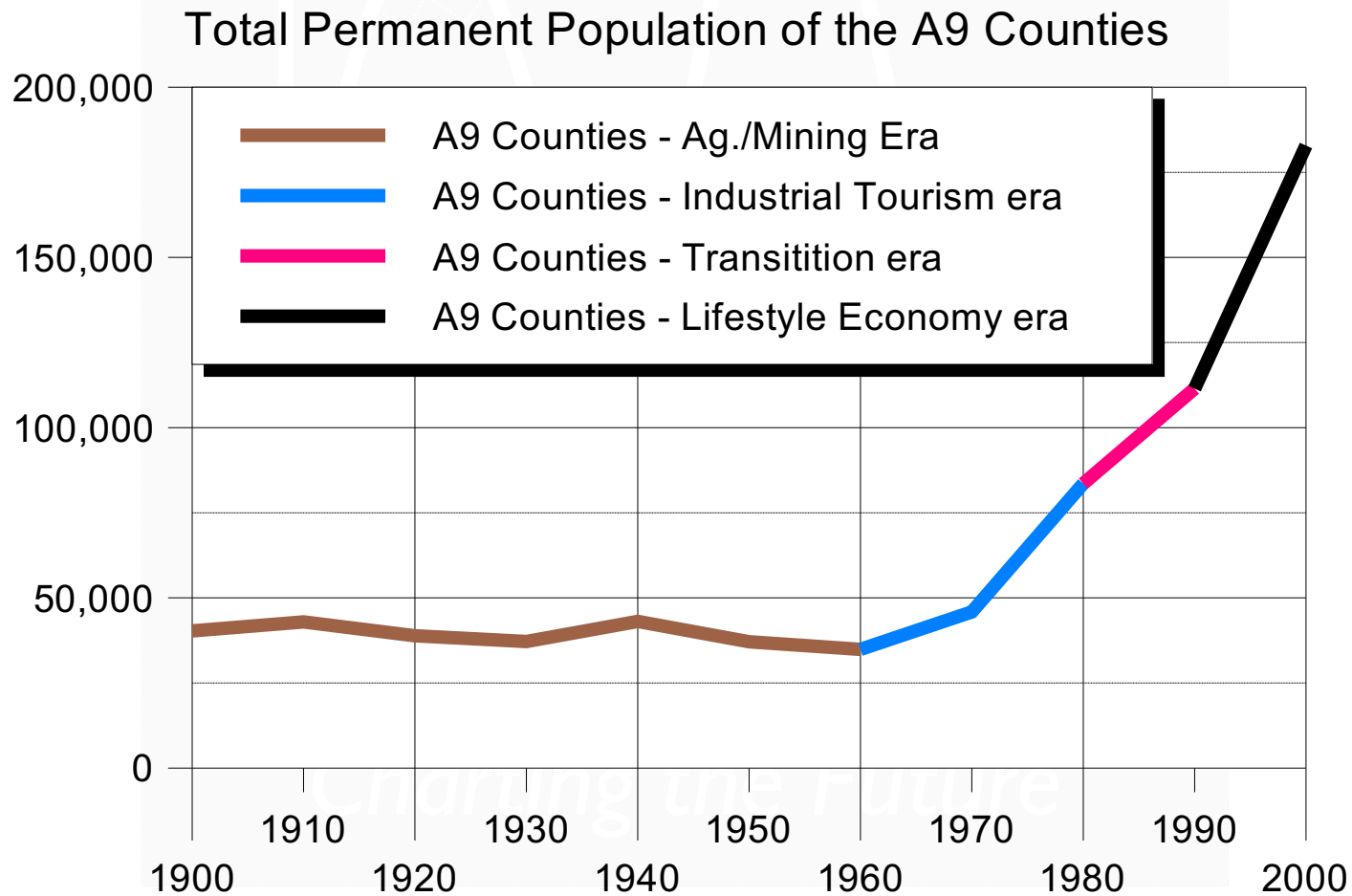
## A9 Counties Population Growth: 1900-2000



# Changes in the A9 – Demographics IX

**The 1990s boom: the A9s' population grew more in the 1990s than in the previous 90 years combined**

## A9 Counties Population Growth: 1900-2000

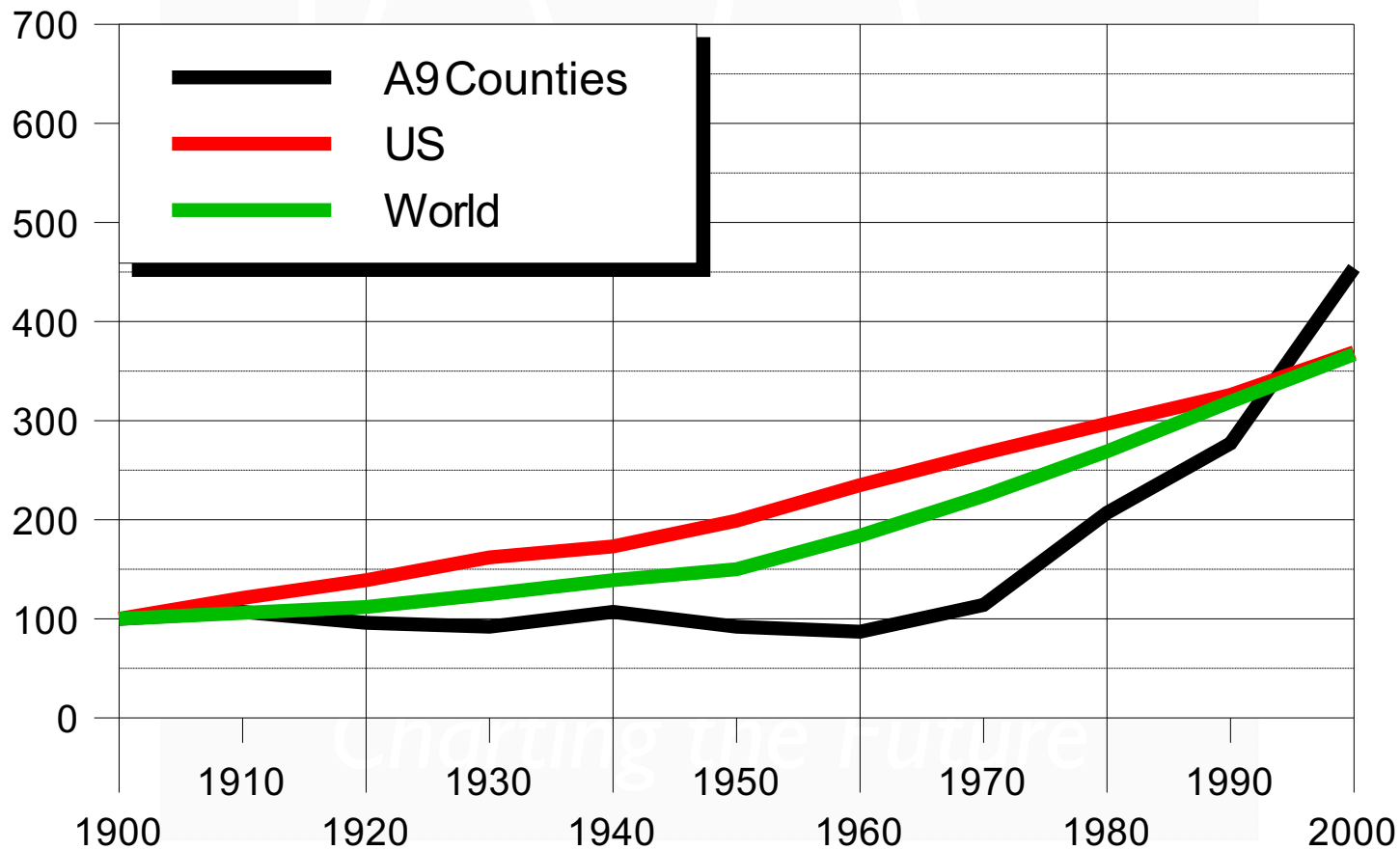


# Changes in the A9 – Demographics X

Since 1970, A9 have grown faster than nation, world

Relative Population Growth: 1900-2000

World v. US v. A9 Counties (1900=100)

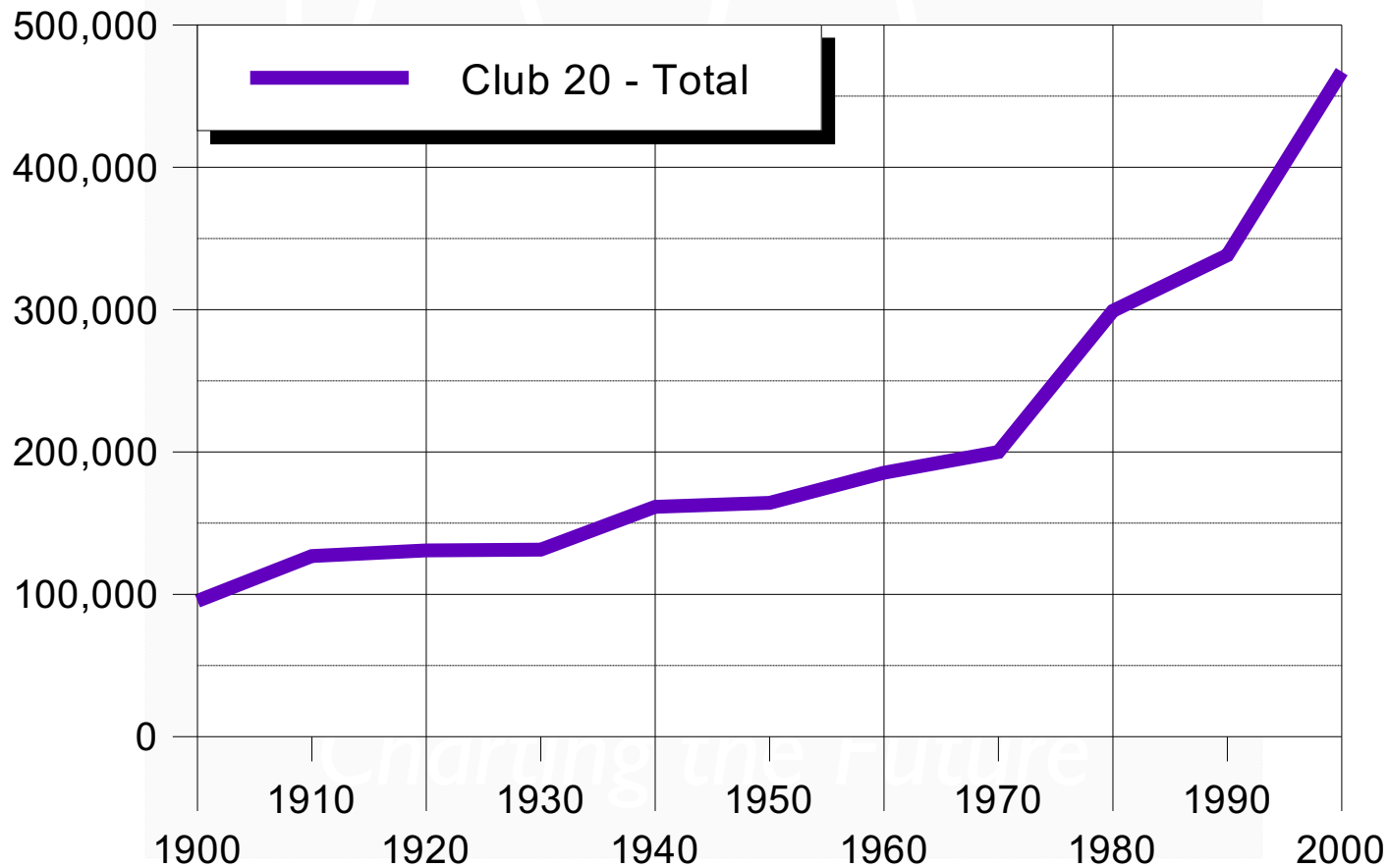


# Changes in Club 20 – Demographics XI

**Population in the twenty two Club 20 counties doubled 1900-1970; has more-than-doubled since**

Club 20 Counties Population Growth: 1900-2000

Total Permanent Population of the Club 20 Counties



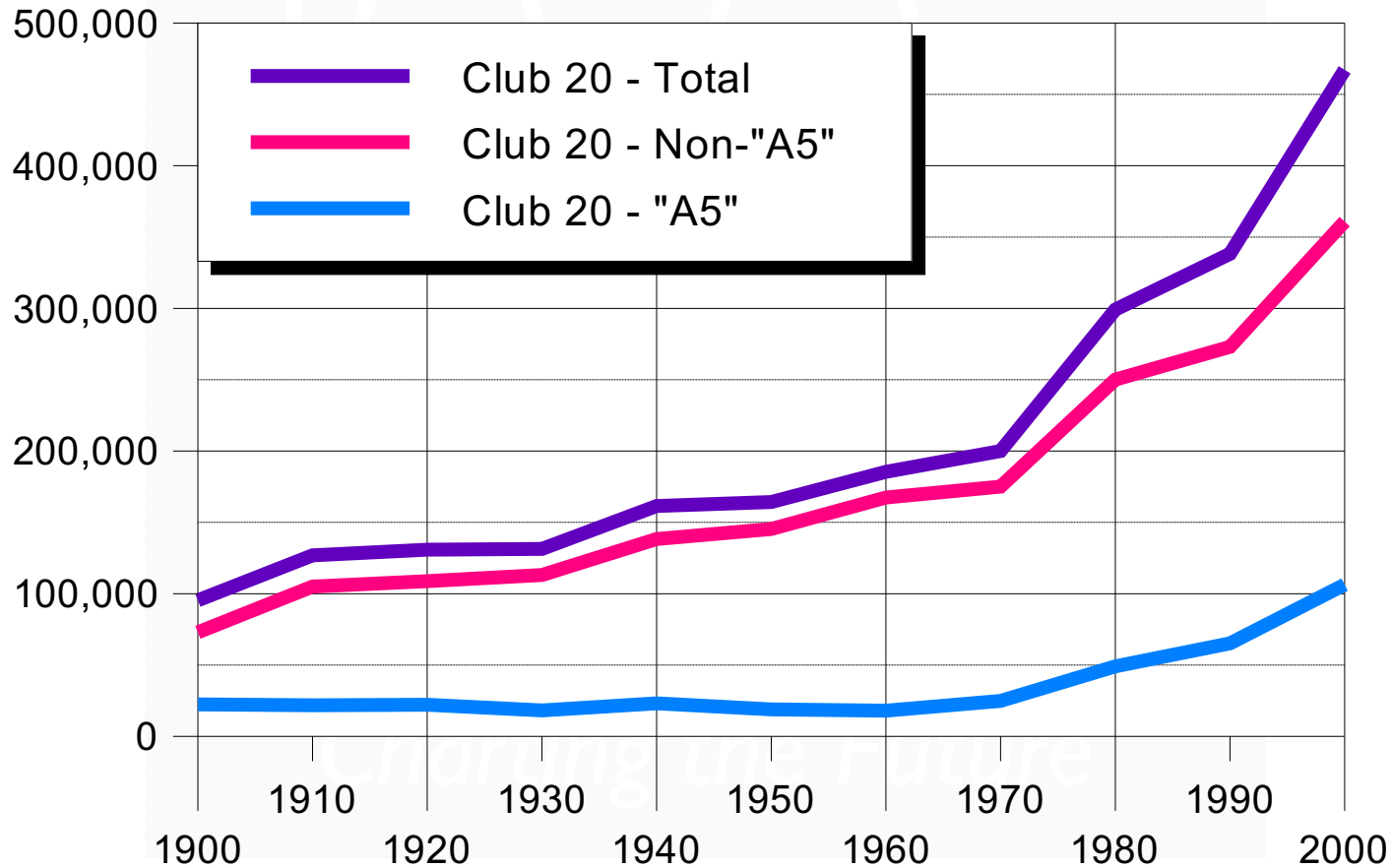


# Changes in Club 20 – Demographics XII

**"A5" accounted for 2% of all Club 20 population growth 1900-1970; 30% since 1970**

Club 20 Counties Population Growth: 1900-2000

Total Permanent Population of the Club 20 Counties

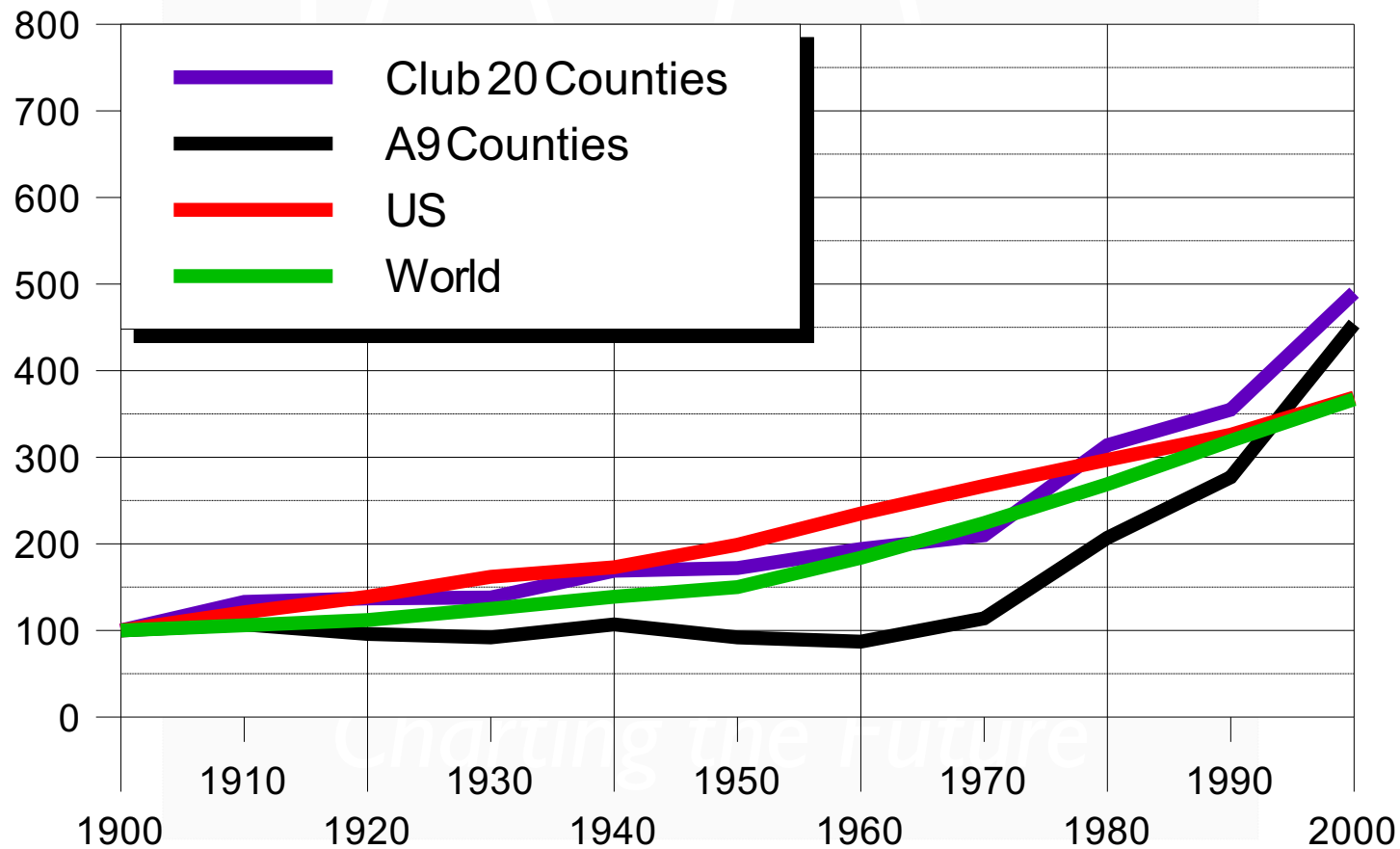


# Changes in Club 20 – Demographics XIII

Since 1970, Club 20 have grown faster than nation, world...

Relative Population Growth: 1900-2000

World v. US v. A9 v. Club 20 Counties (1900=100)

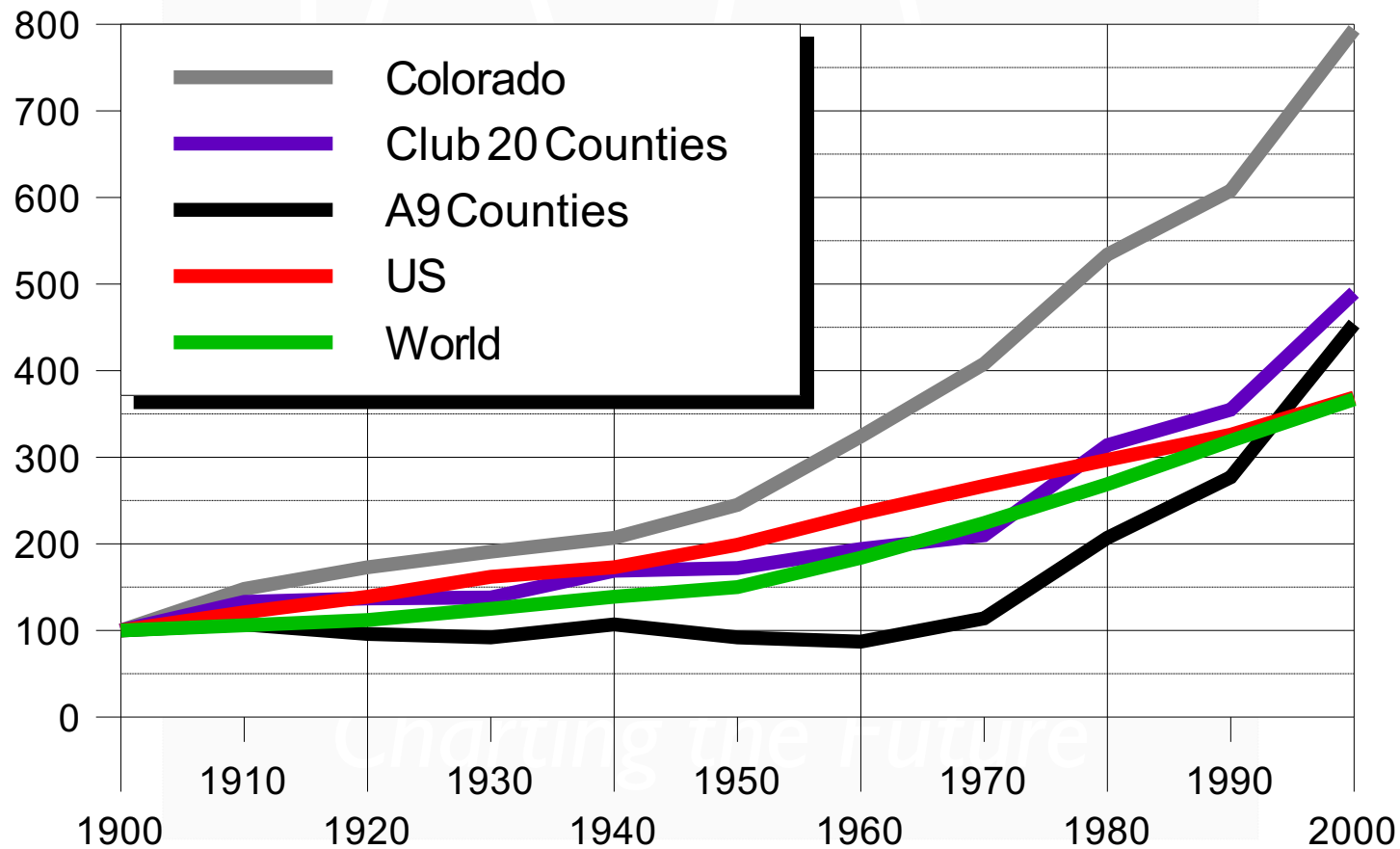


# Changes in Club 20 – Demographics XIV

...and even faster than the state of Colorado

Relative Population Growth: 1900-2000

World v. US v. A9 v. Club 20 v. CO (1900=100)

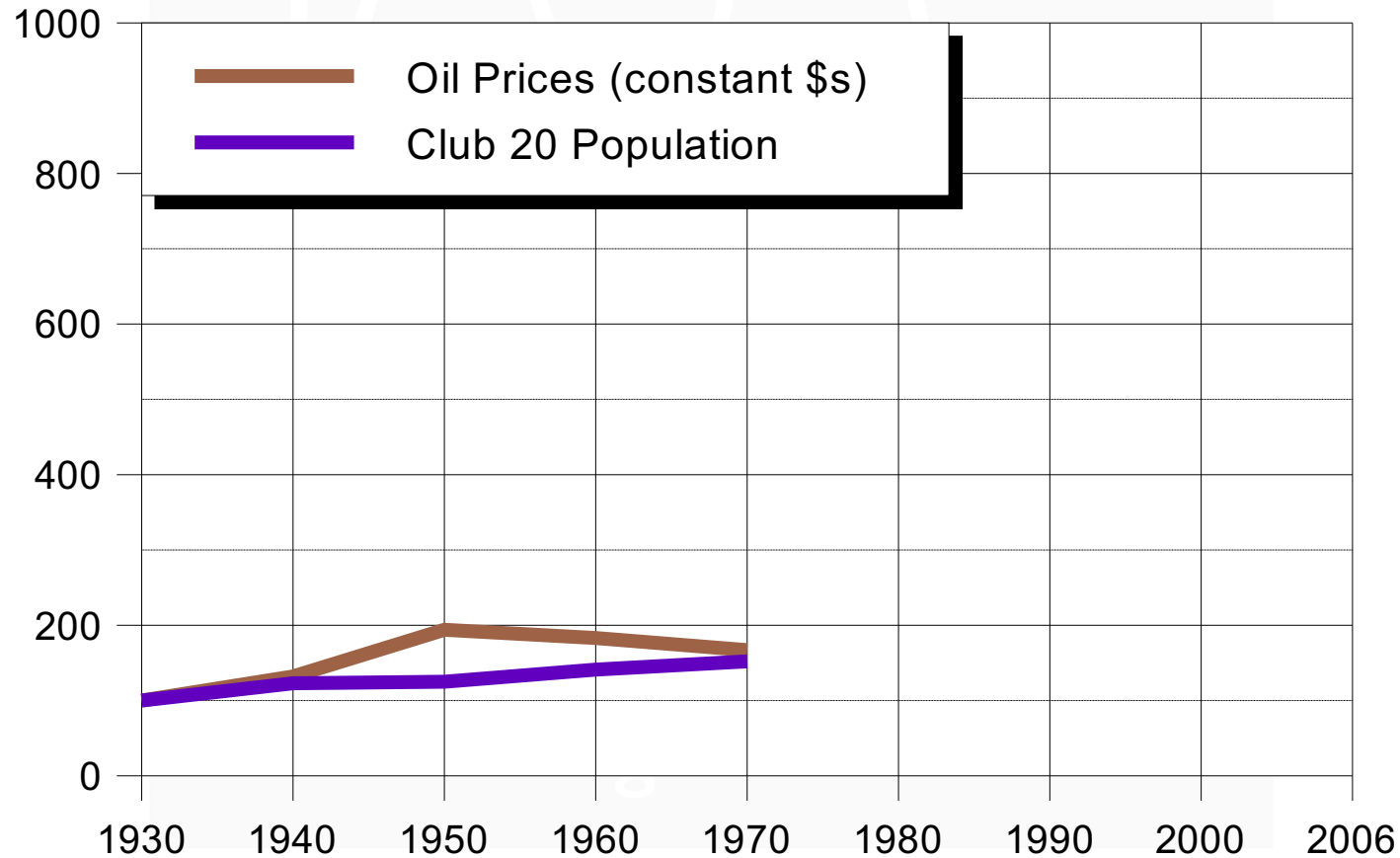


# Changes in Club 20 – Demographics XV

Between 1930-1970, oil prices and Club 20's population grew more-or-less in sync

Club 20 Counties: 1930-2000

Relative Growth: Population v. Oil Prices (1930=100)

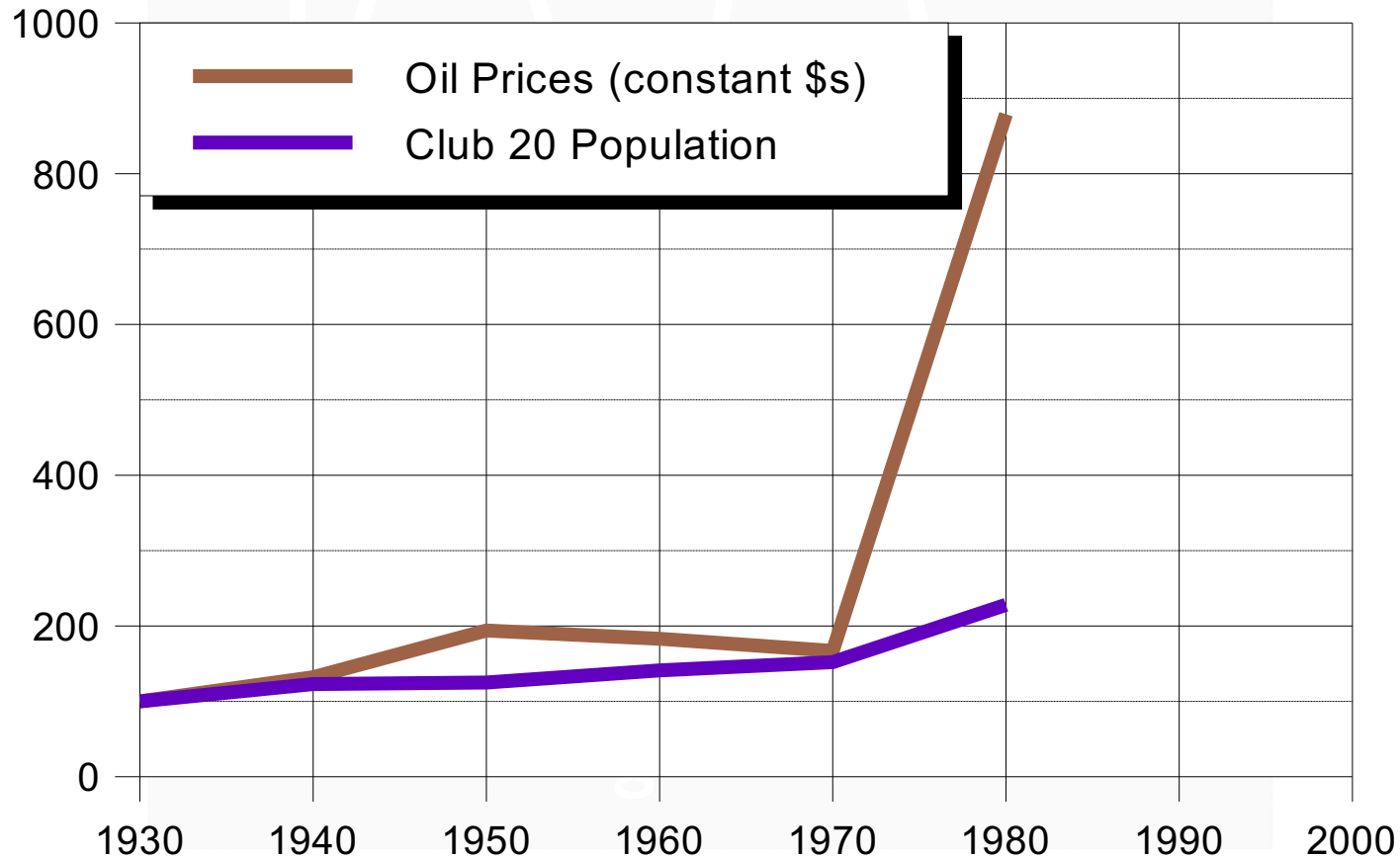


# Changes in Club 20 – Demographics XVI

During the 70s, as oil prices spiked, so did C20's population

## Club 20 Counties: 1930-2000

Relative Growth: Population v. Oil Prices (1930=100)

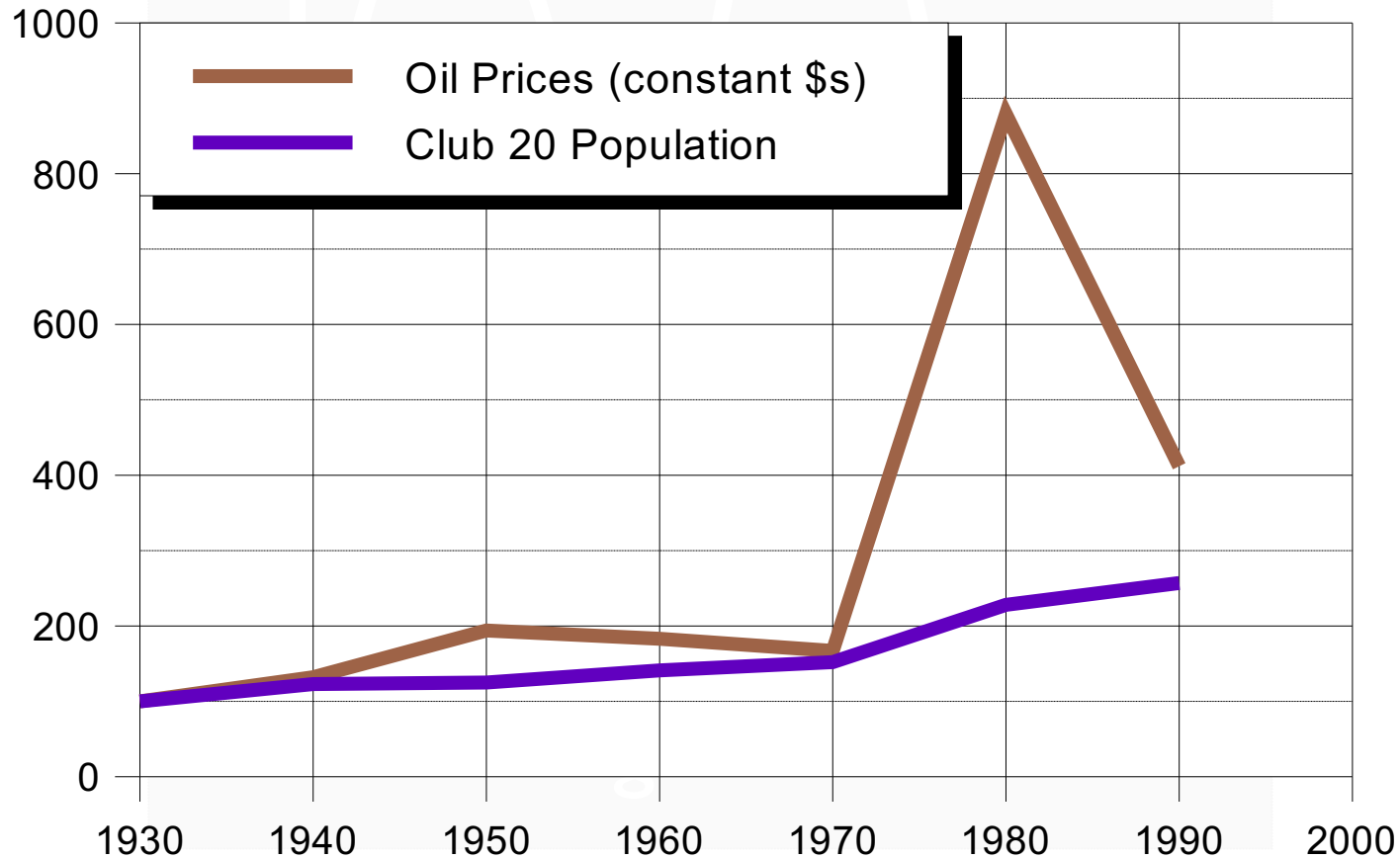


# Changes in Club 20 – Demographics XVII

During 80s, oil prices dove, C20's population growth flattened

## Club 20 Counties: 1930-2000

Relative Growth: Population v. Oil Prices (1930=100)

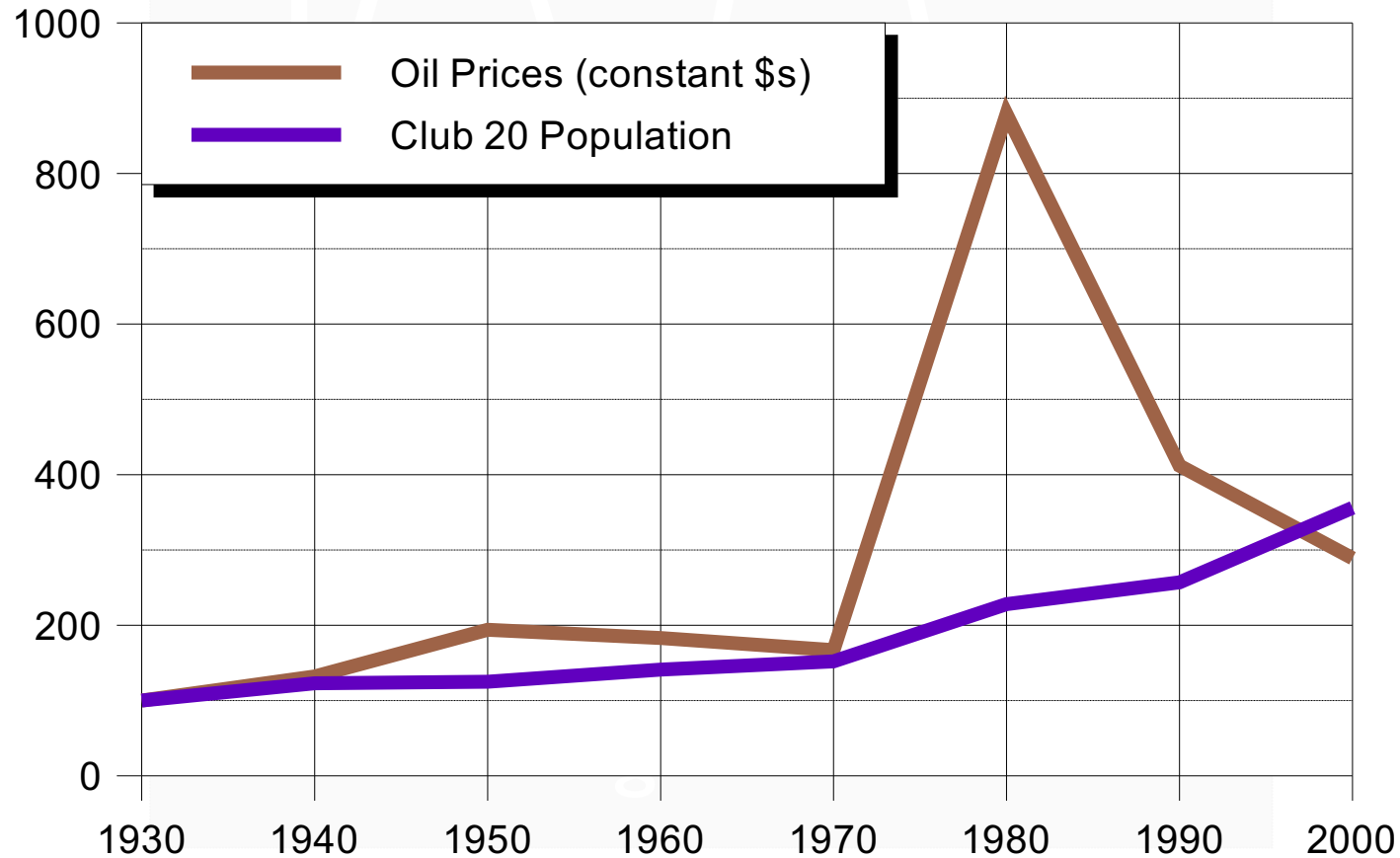


# Changes in Club 20 – Demographics XVIII

**In 1990s, as oil prices continued to decline, C20's population saw its greatest increase ever**

Club 20 Counties: 1930-2000

Relative Growth: Population v. Oil Prices (1930=100)

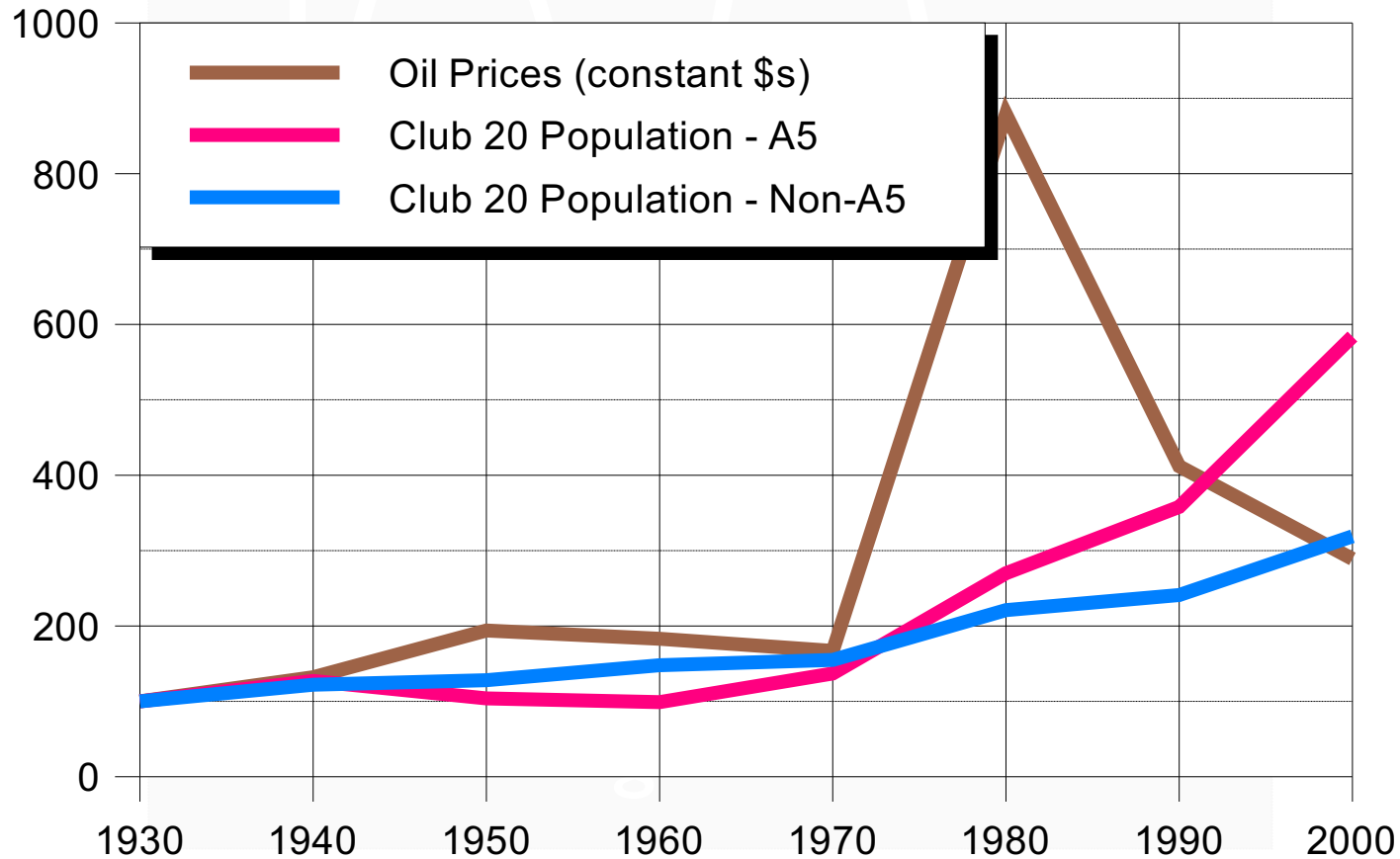


# Changes in Club 20 – Demographics XIX

**A5 drove 1990s population growth, but even with declining oil prices, all of Club 20 saw rapid population growth**

Club 20 Counties: 1930-2000

Relative Growth: Population v. Oil Prices (1930=100)



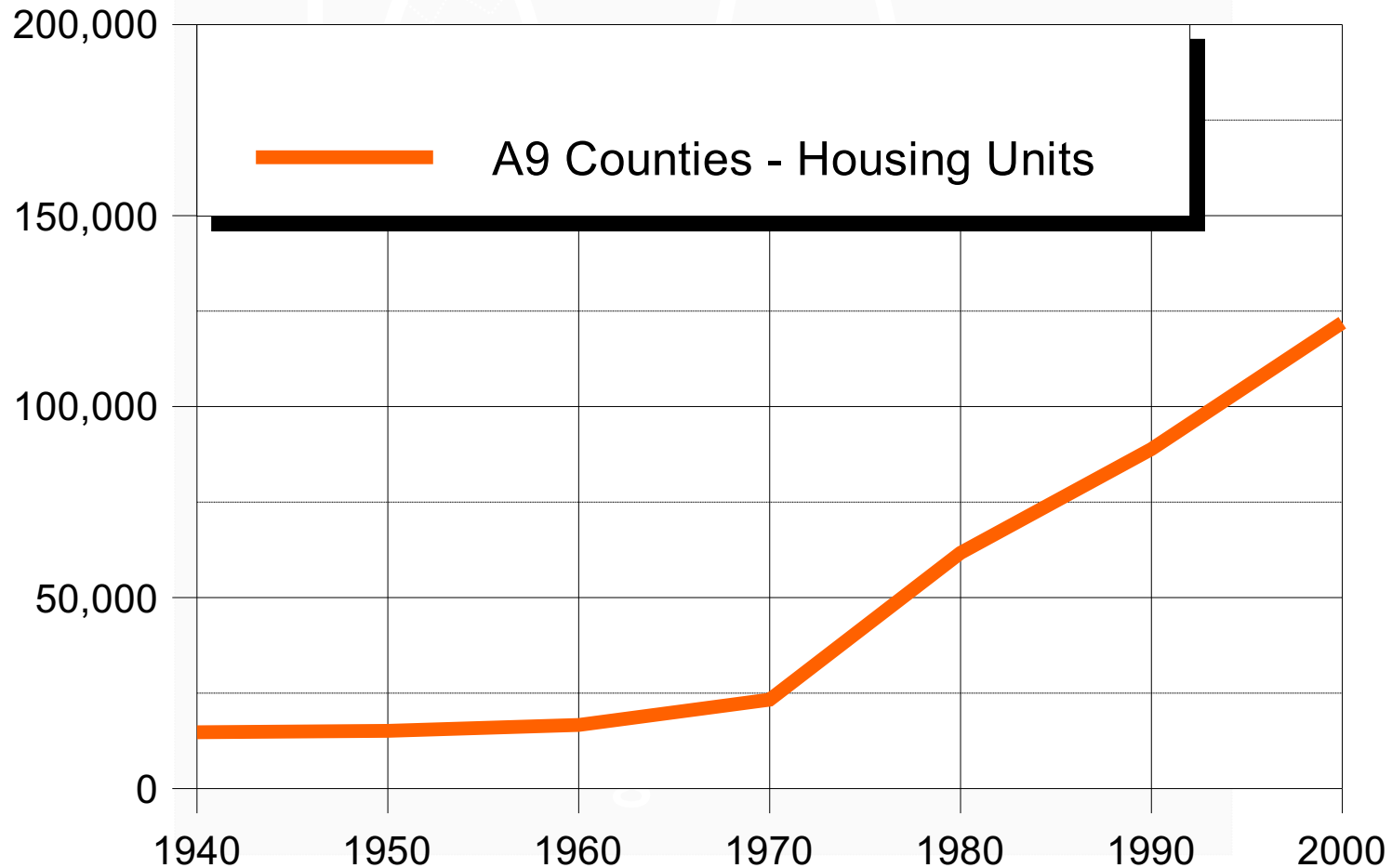


# Changes in the A9 – Housing I

As with A9 population, so with housing...

A9 Counties Housing Growth: 1940-2000

Total Housing Stock of the A9 Counties

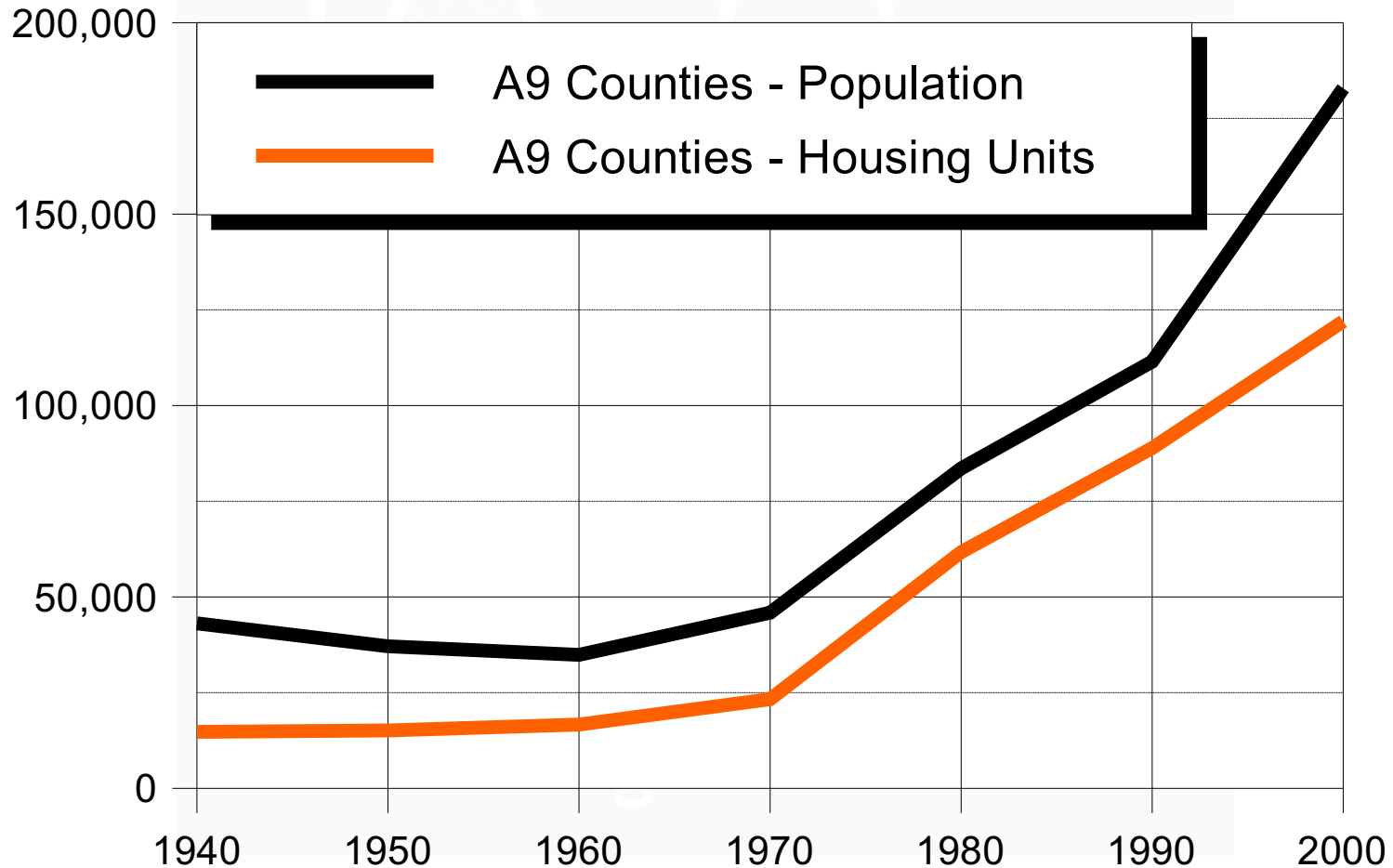


# Changes in the A9 – Housing II

...more or less

A9 Counties Population & Housing Growth: 1940-2000

Total Population & Housing of the A9 Counties

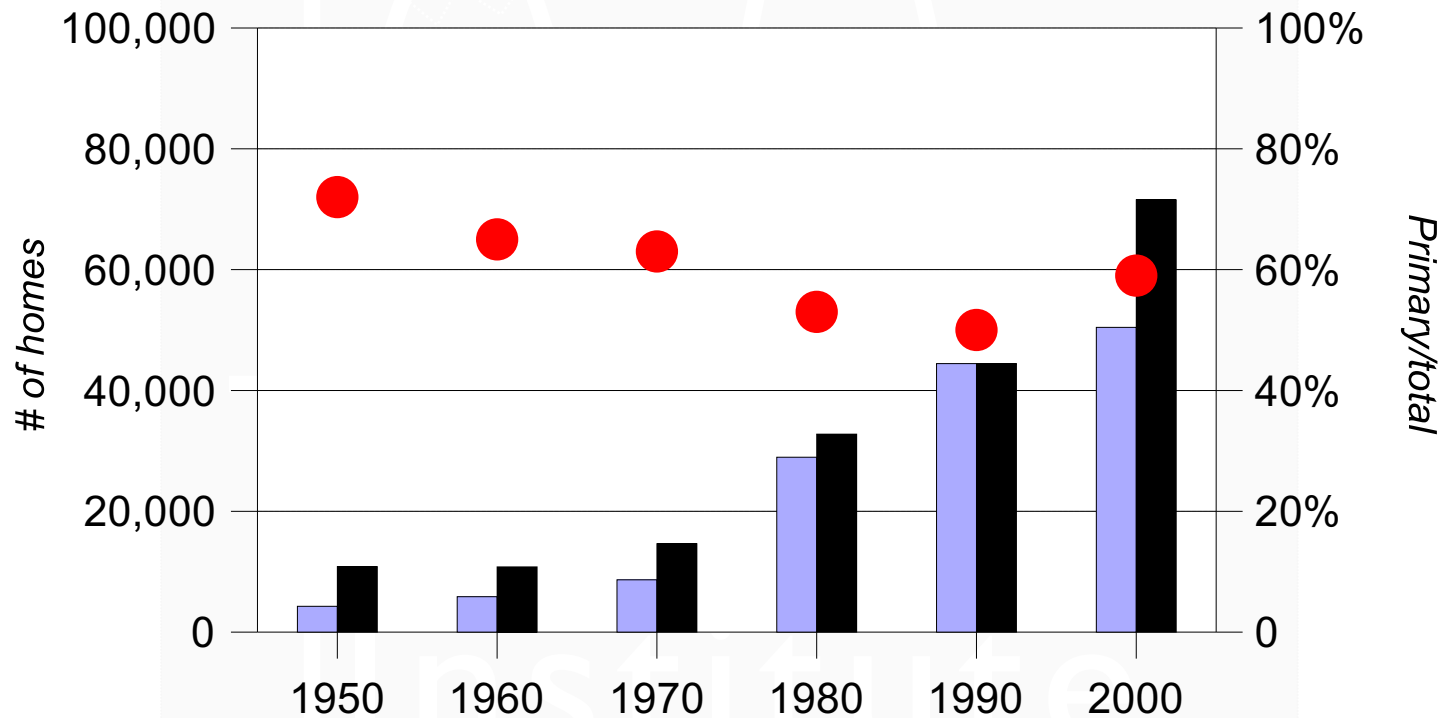


# Changes in the A9 – Housing III

The proportion of A9 second homes has declined...

Housing Stock in A9 Counties: 1950-2000

Number of Homes by Occupancy Status



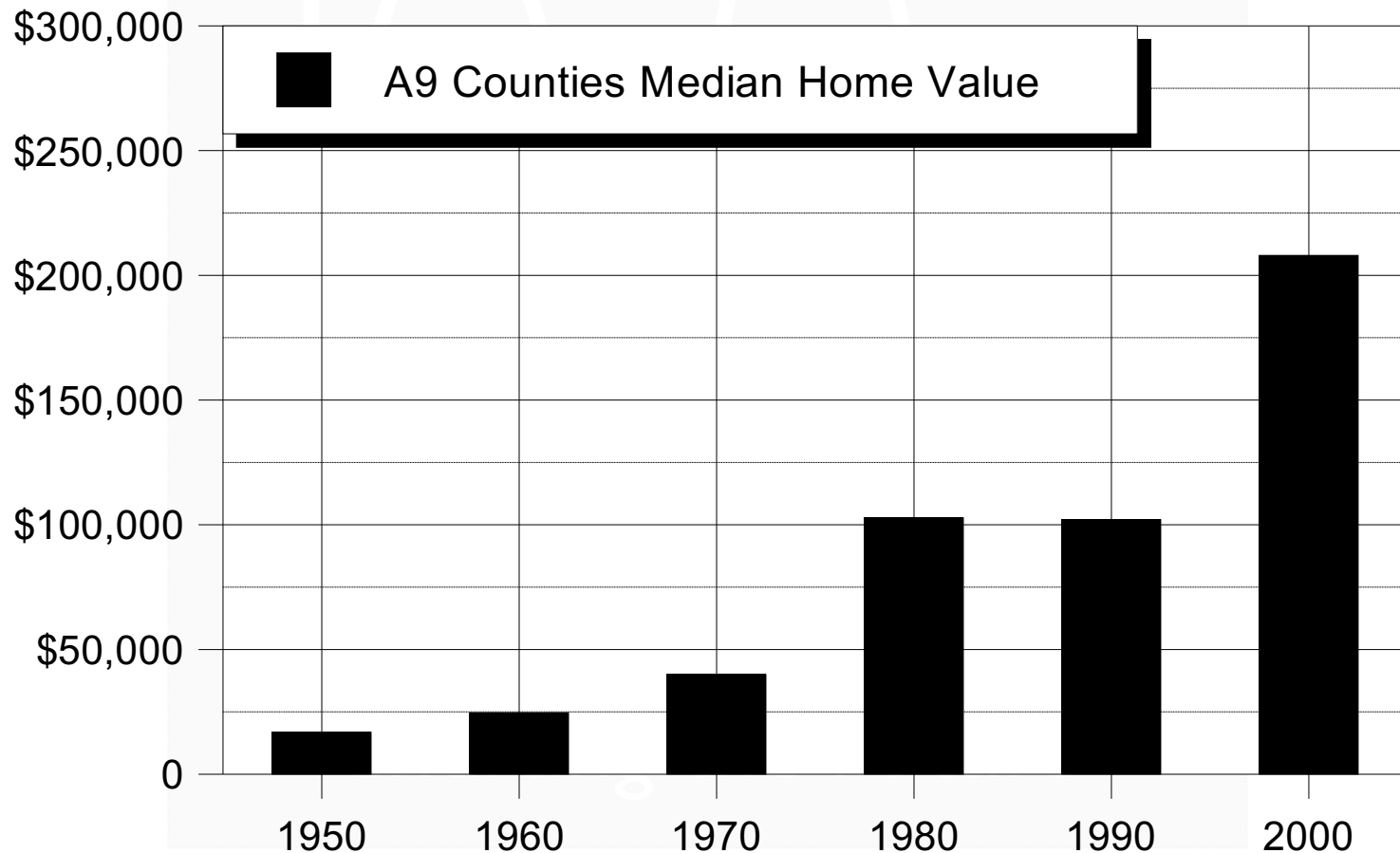
■ 2nd or rental home (Y1)    ■ Primary residence (Y1)  
● Primary/Total (Y2)

# Changes in the A9 – Housing IV

... and prices have risen as demand crushes supply

## A9 Home Values: 1950-2000

Median Home Value in the A9 (constant \$s)

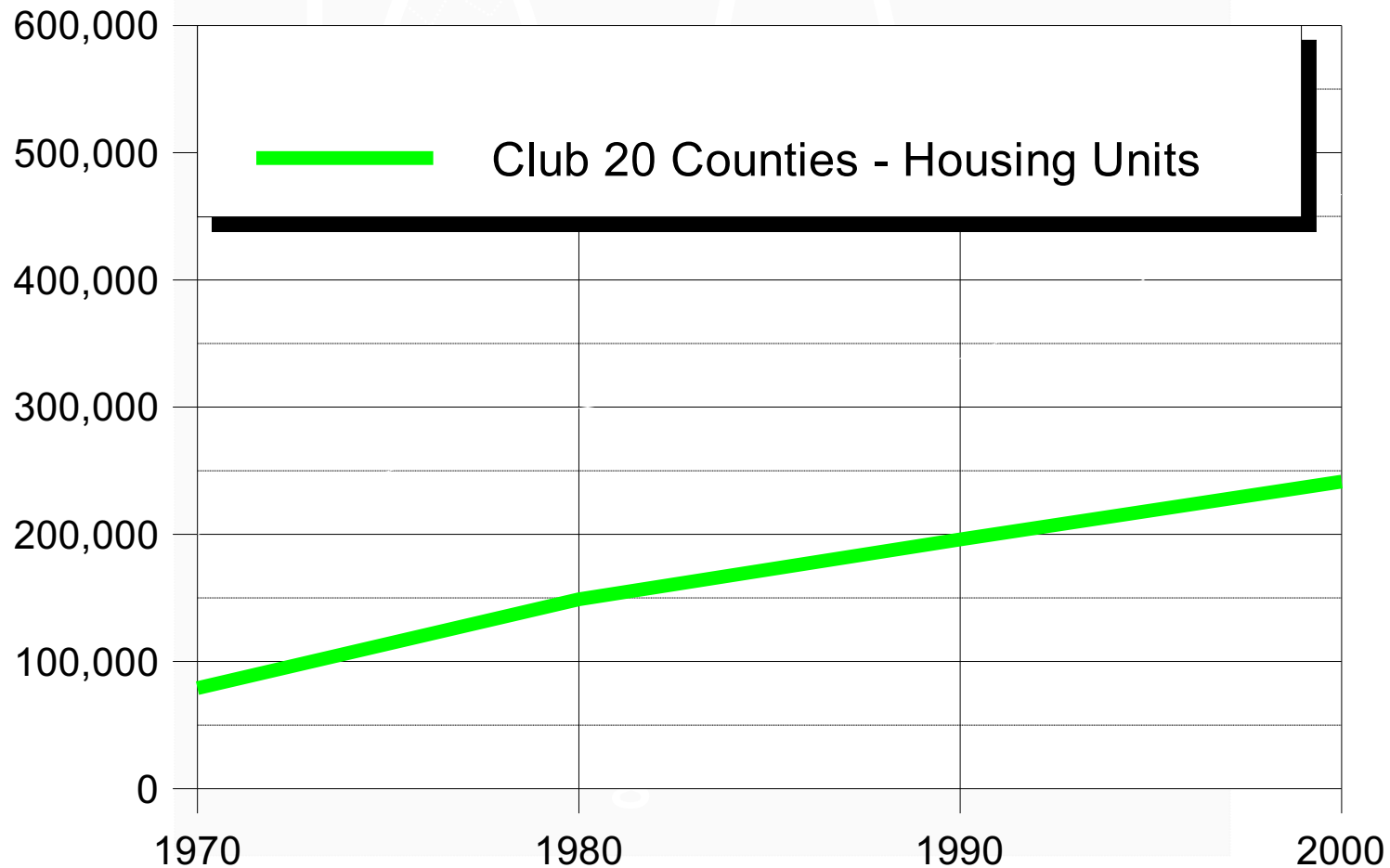


# Changes in Club 20 – Housing V

**C20's housing stock tripled 1970-2000 (v. 2.5x for population)**

Club 20 Counties Housing Growth: 1970-2000

Total Housing Stock of the Club 20 Counties

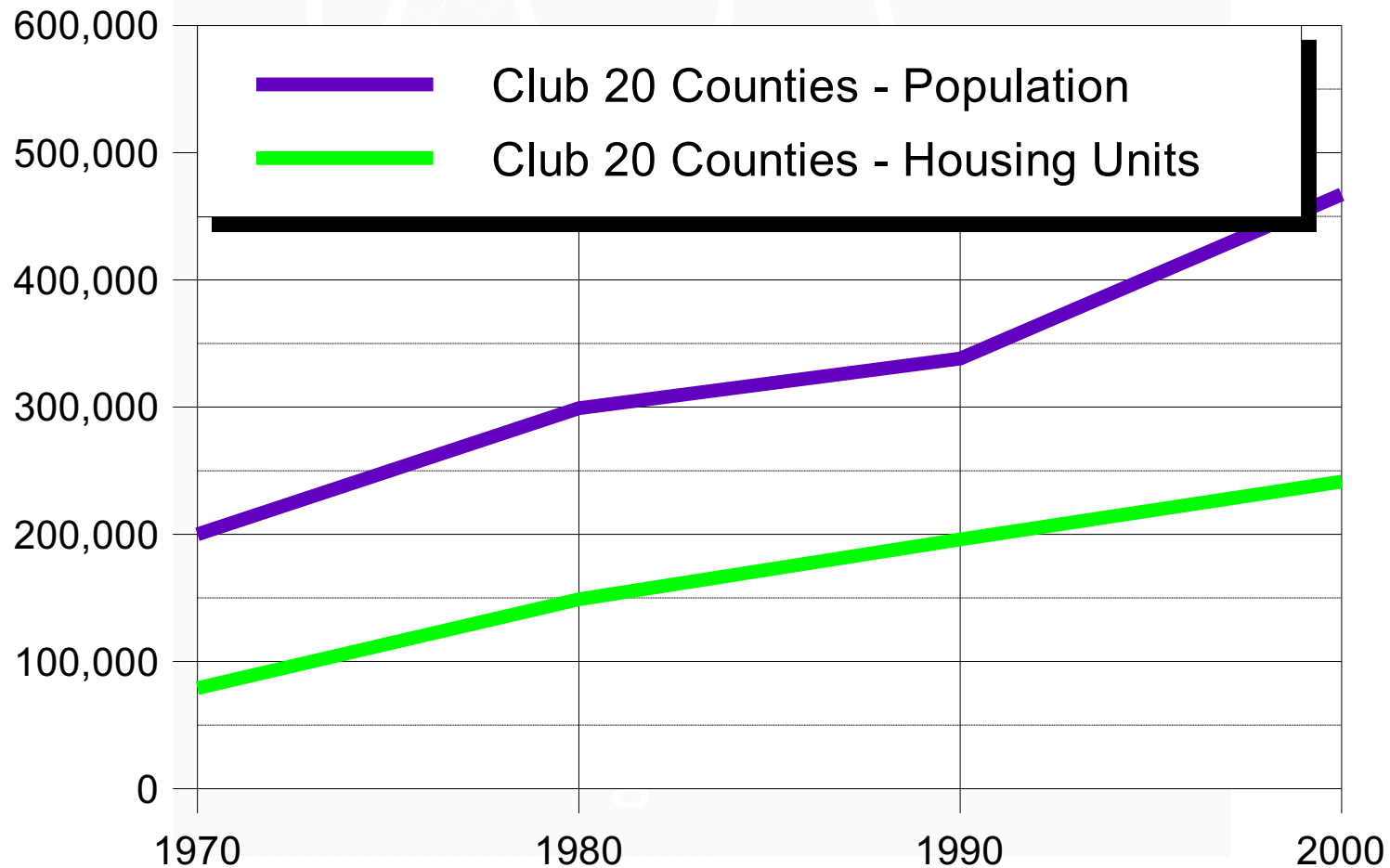


# Changes in Club 20 – Housing VI

But in 1990s, C20's population increased faster than housing

Club 20 Counties Housing Growth: 1970-2000

Total Population & Housing Stock of the Club 20 Counties

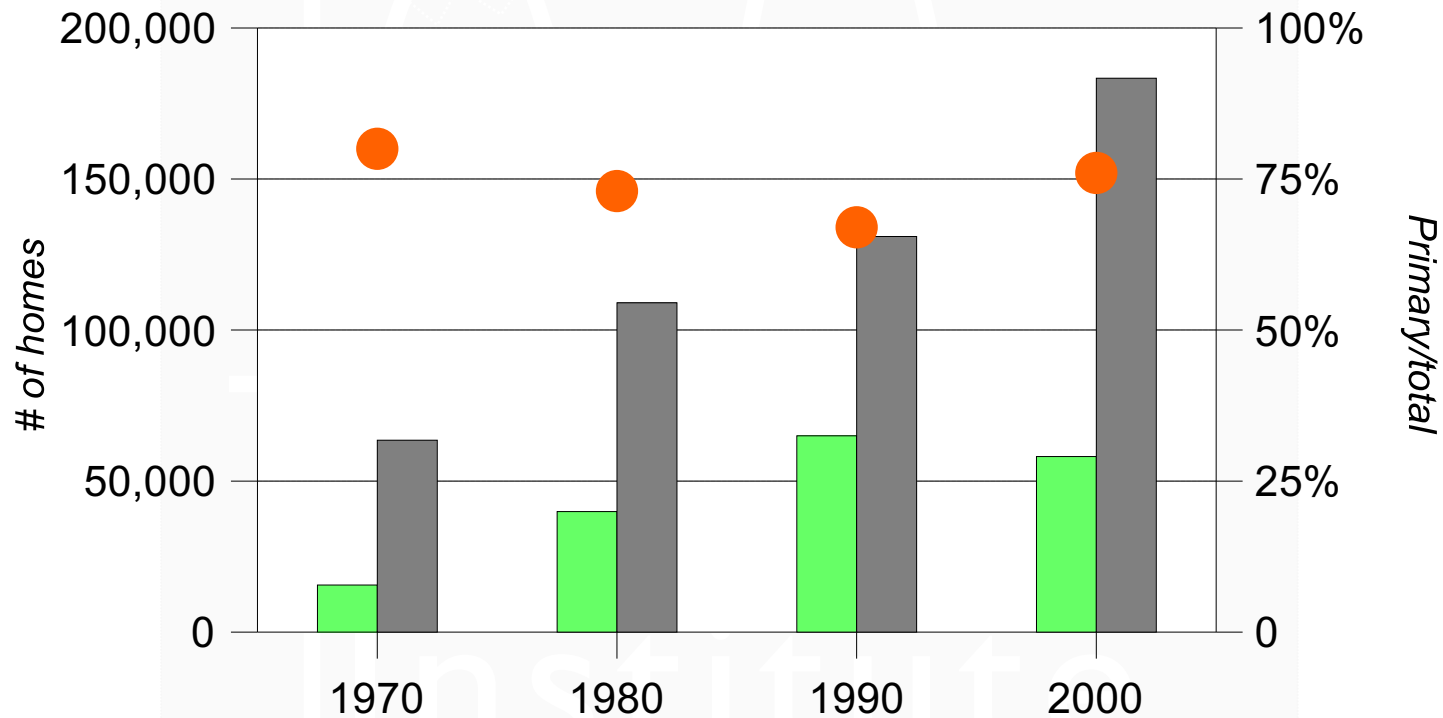


# Changes in Club 20 – Housing VII

Just as with A9, C20's second home ratio has declined...

Housing Stock in Club 20 Counties: 1970-2000

Number of Homes by Occupancy Status



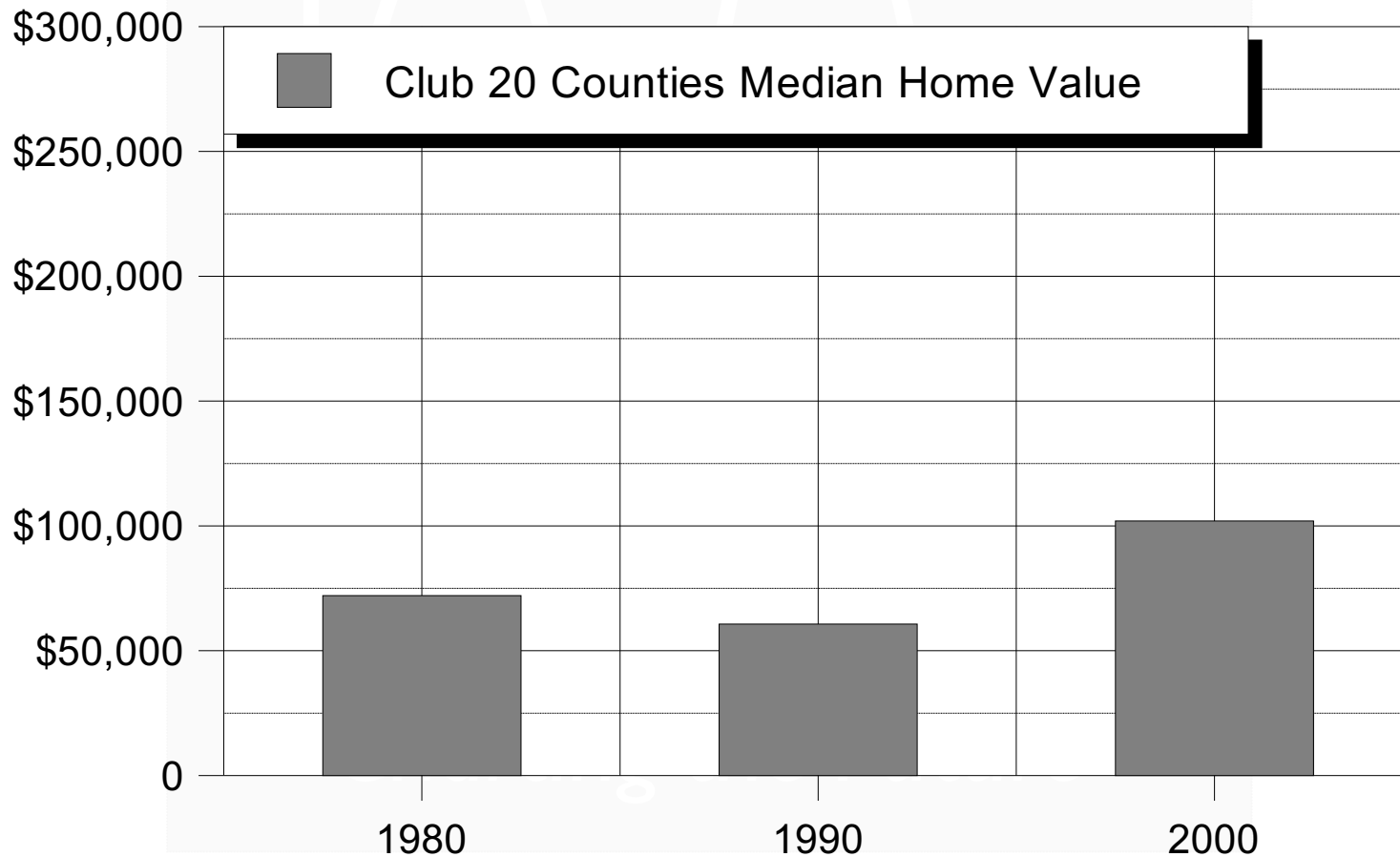
- 2nd or rental home (Y1)
- Primary residence (Y1)
- Primary/Total (Y2)

# Changes in Club 20 – Housing VIII

... while constant dollar prices nearly doubled in 1990s

## Club 20 Home Values: 1980-2000

Median Home Value in Club 20 (constant \$s)



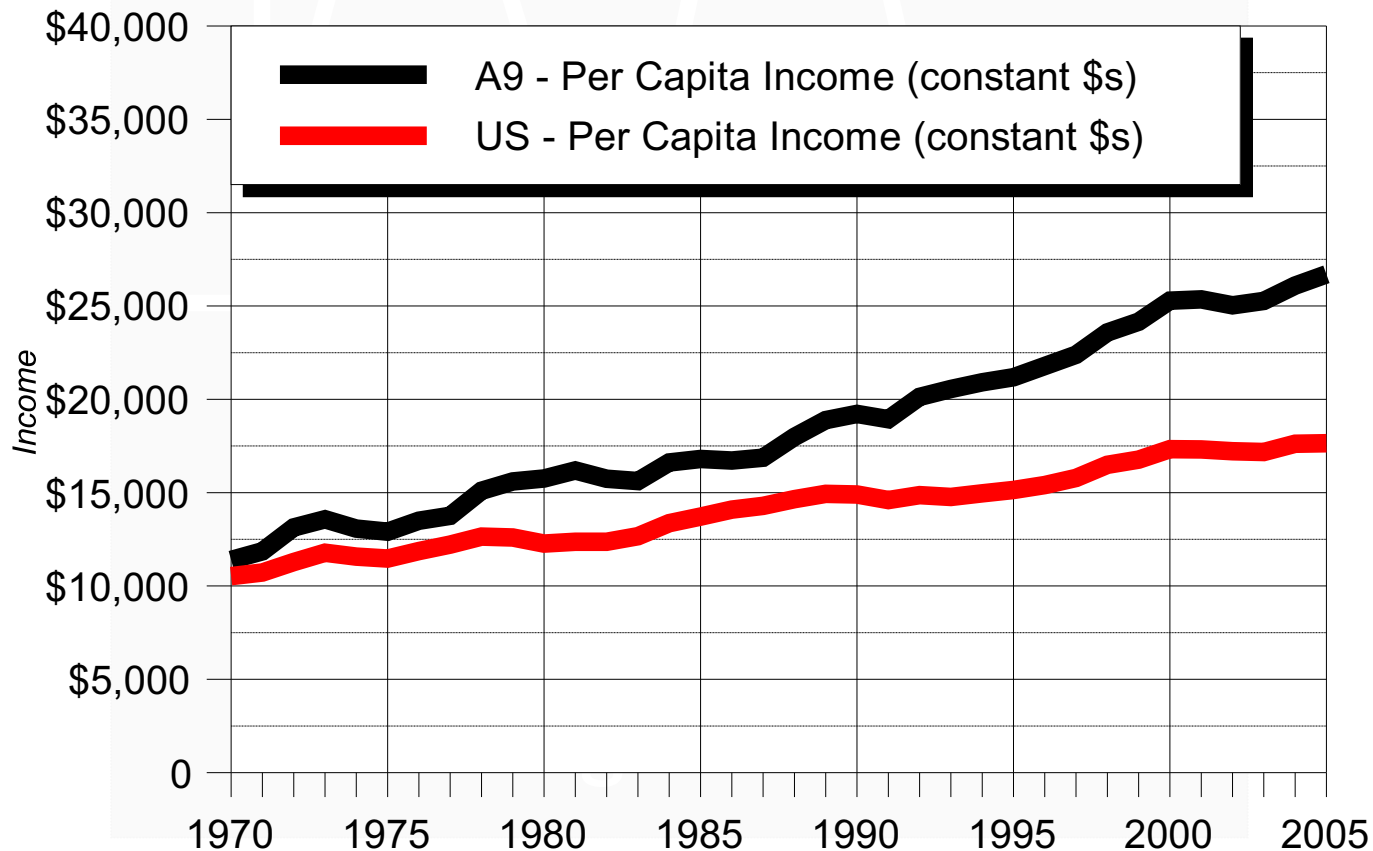


# Changes in the A9 – Economy I

**A9 income is growing faster than the US's.  
It's also growing faster than the A9's population**

US v. A9 Counties: 1970-2005

Per Capita Income, by Year (constant \$s)

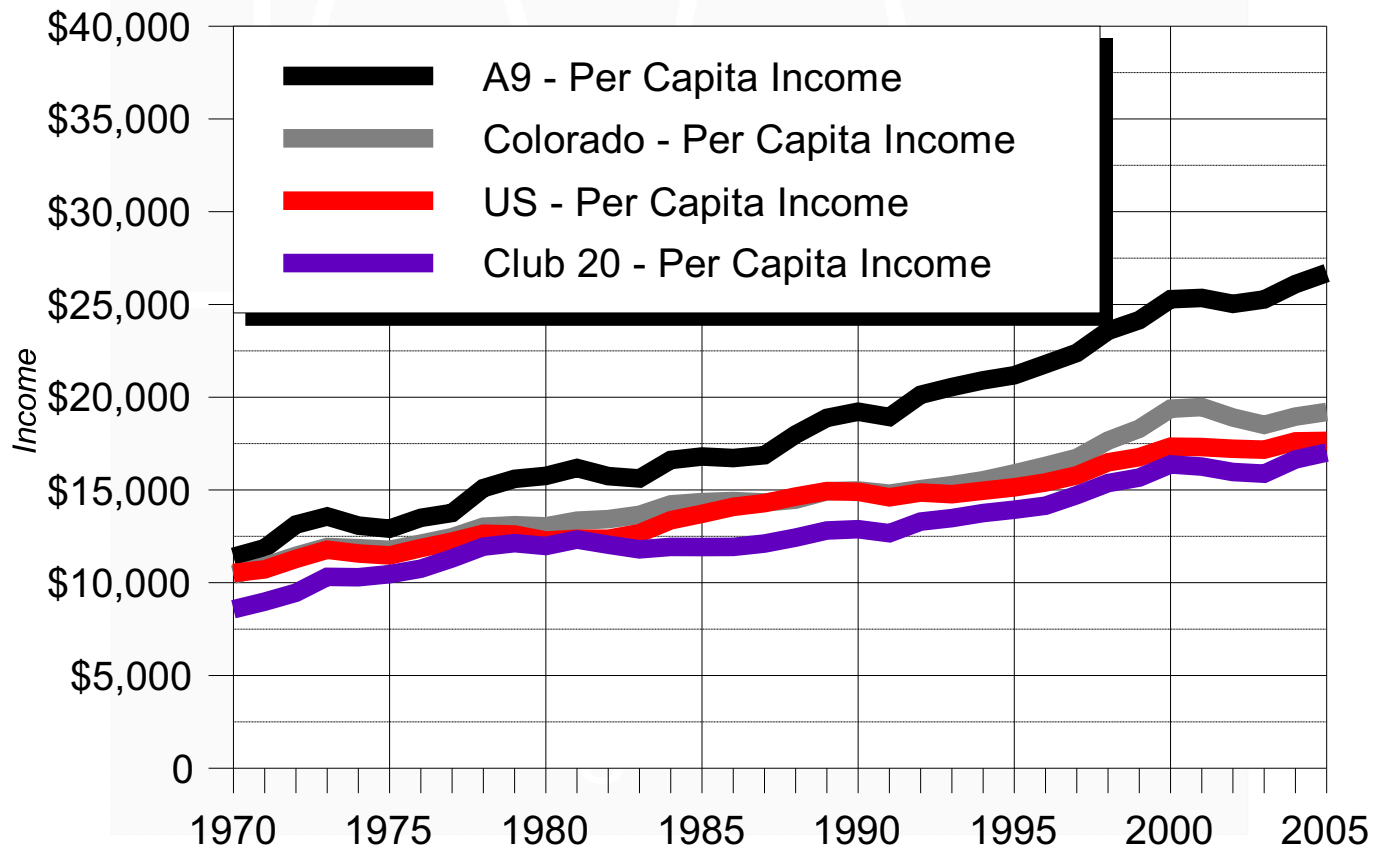


# Changes in the A9 – Economy II

Club 20 & state income have more-or-less paralleled the nation

US v. A9 Counties: 1970-2005

Per Capita Income, by Year (constant \$s)

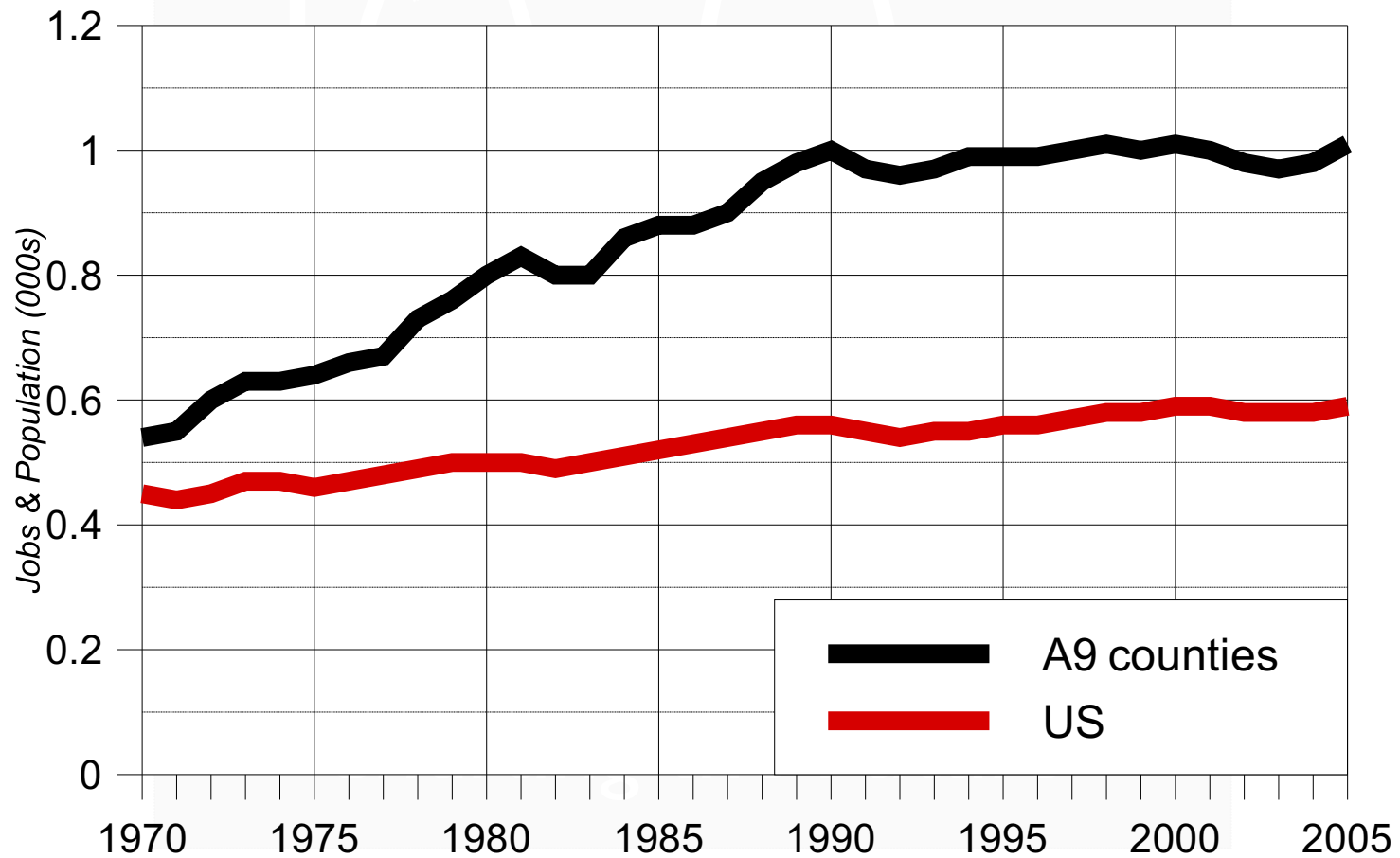


# Changes in the A9 – Economy III

There is now one A9 job for every A9 resident (US=0.6)

A9 Counties: 1970-2005

Total Jobs/Resident, v. US

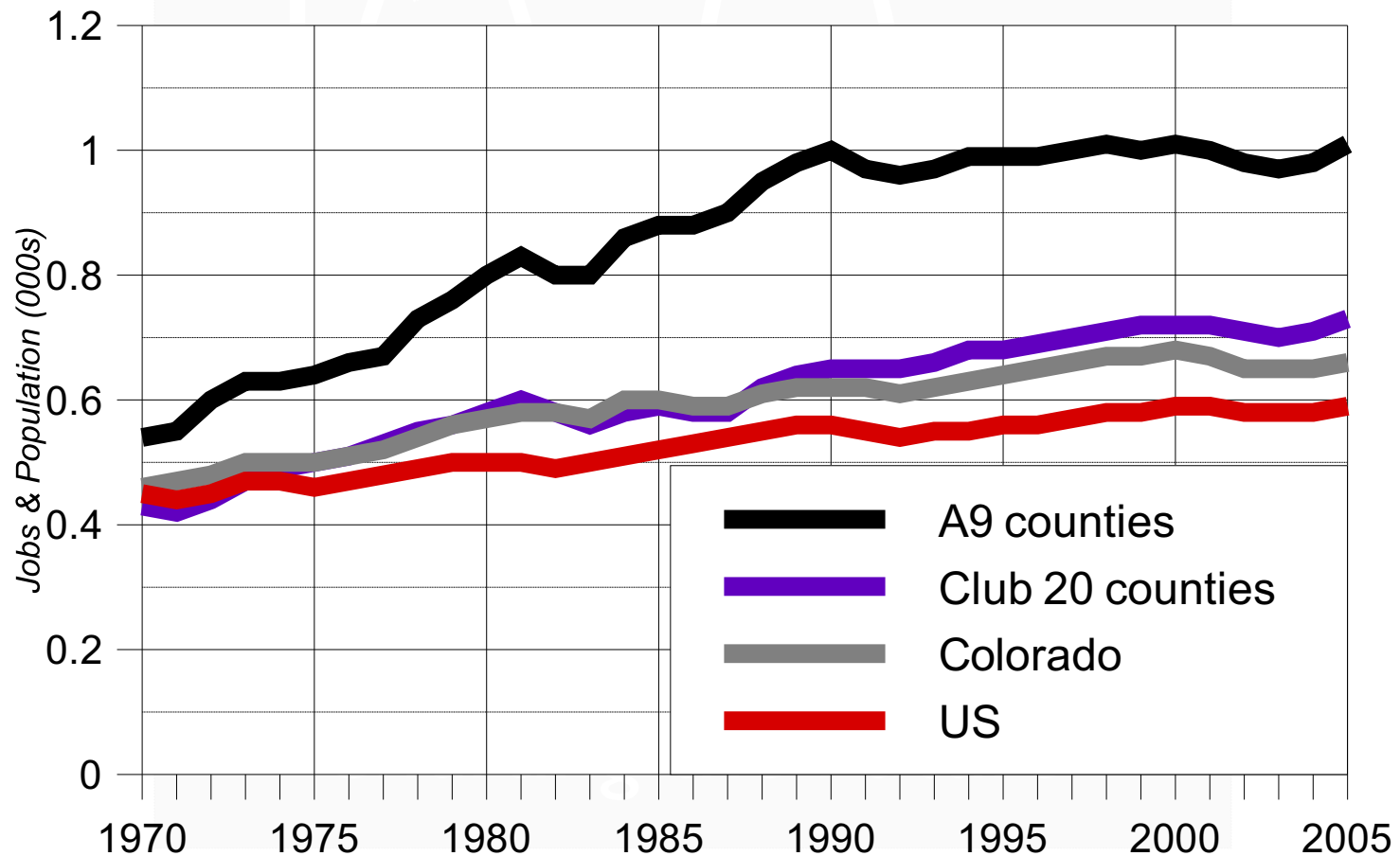


# Changes in the A9 – Economy IV

Club 20 is producing (lower-paying) jobs faster than US, state

A9 Counties: 1970-2005

Total Jobs/Resident, v. US, Club 20, & CO

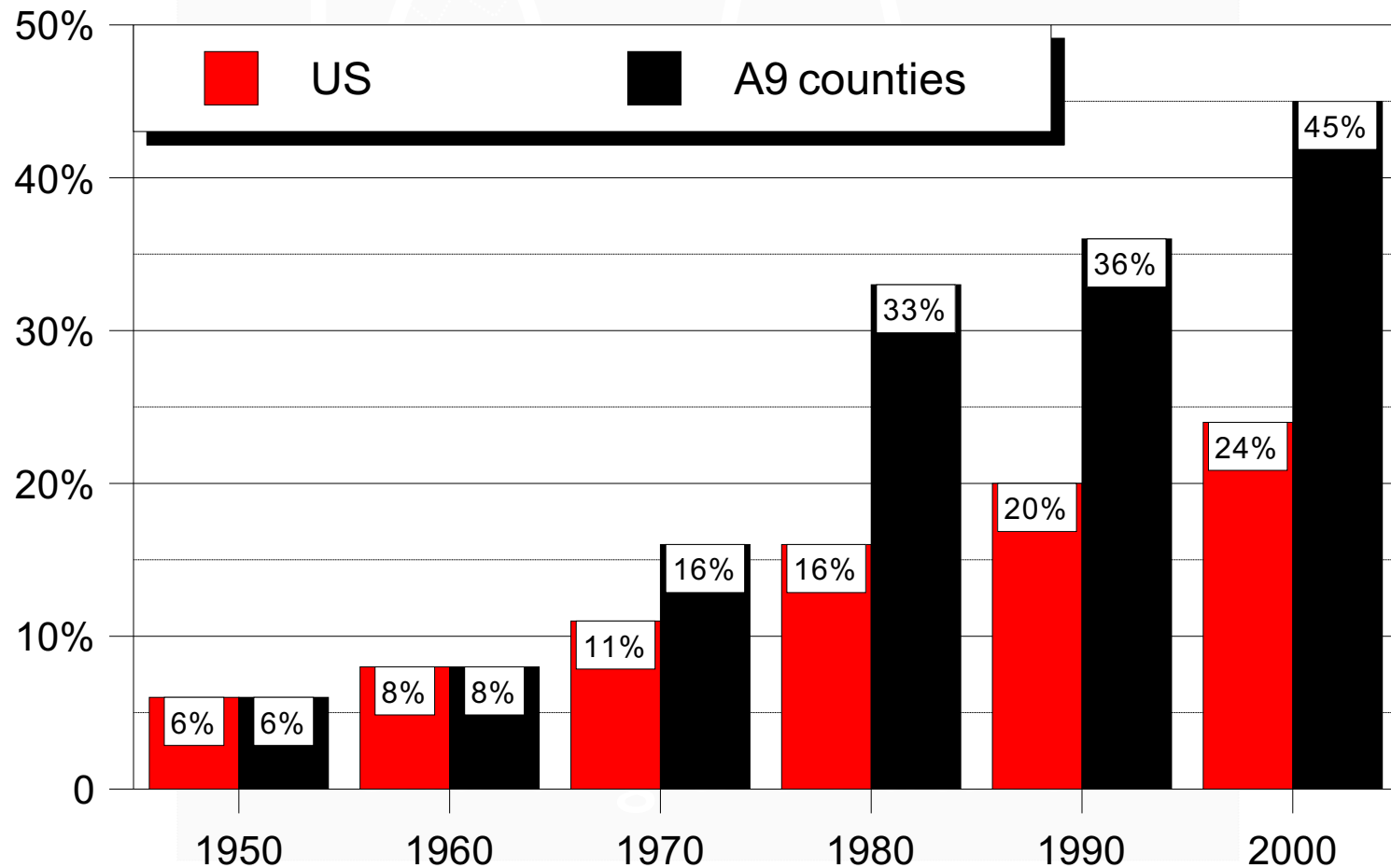


# Changes in the A9 – Education Levels

The A9 are better-educated than US (and think they're smarter)

US v. A9 Education Levels: 1950-2000

Percent of Adults with Bachelor's Degree or Higher

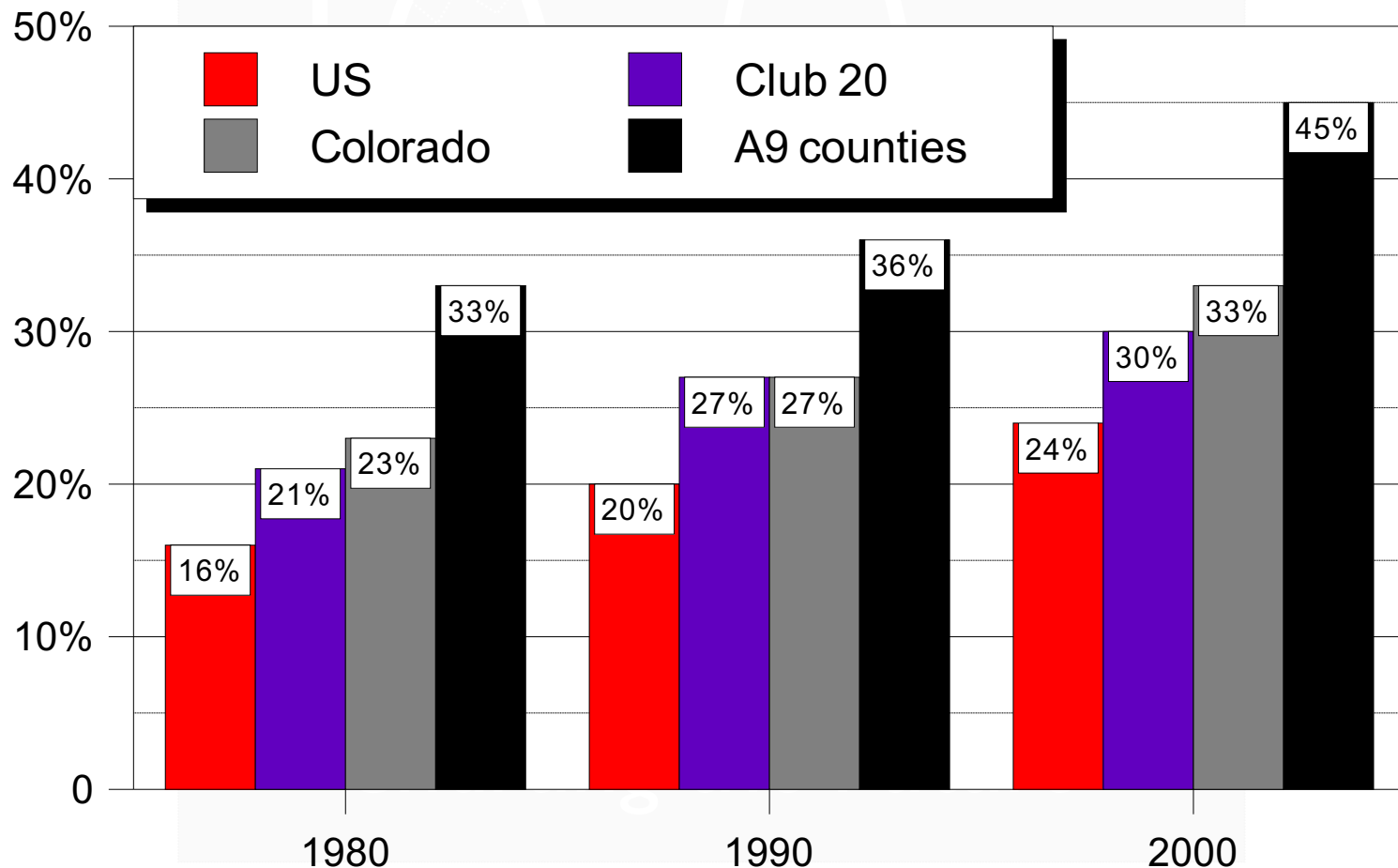


# Changes in Club 20 – Education Levels

## Club 20 education levels lag behind state and A9

US v. A9 Education Levels: 1950-2000

Percent of Adults with Bachelor's Degree or Higher

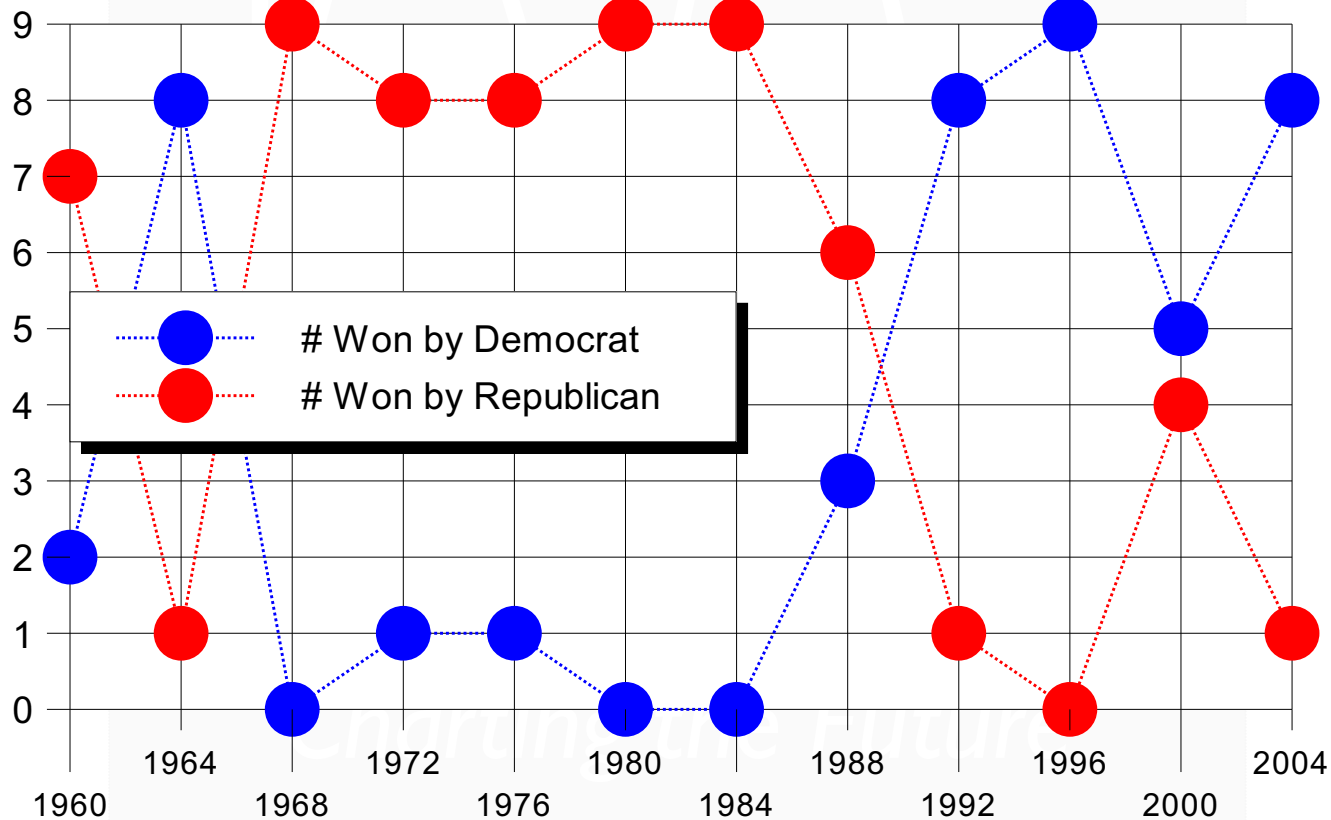


# Changes in the A9 – Voting Patterns

From 1960-1988, GOP candidates won the A9s 55%-40%;  
from 1992-2004, the Democratic margin was 47%-38%

## Voting in A9 Counties - 1960-2000

A9 Counties Won by Presidential Candidate, by Party

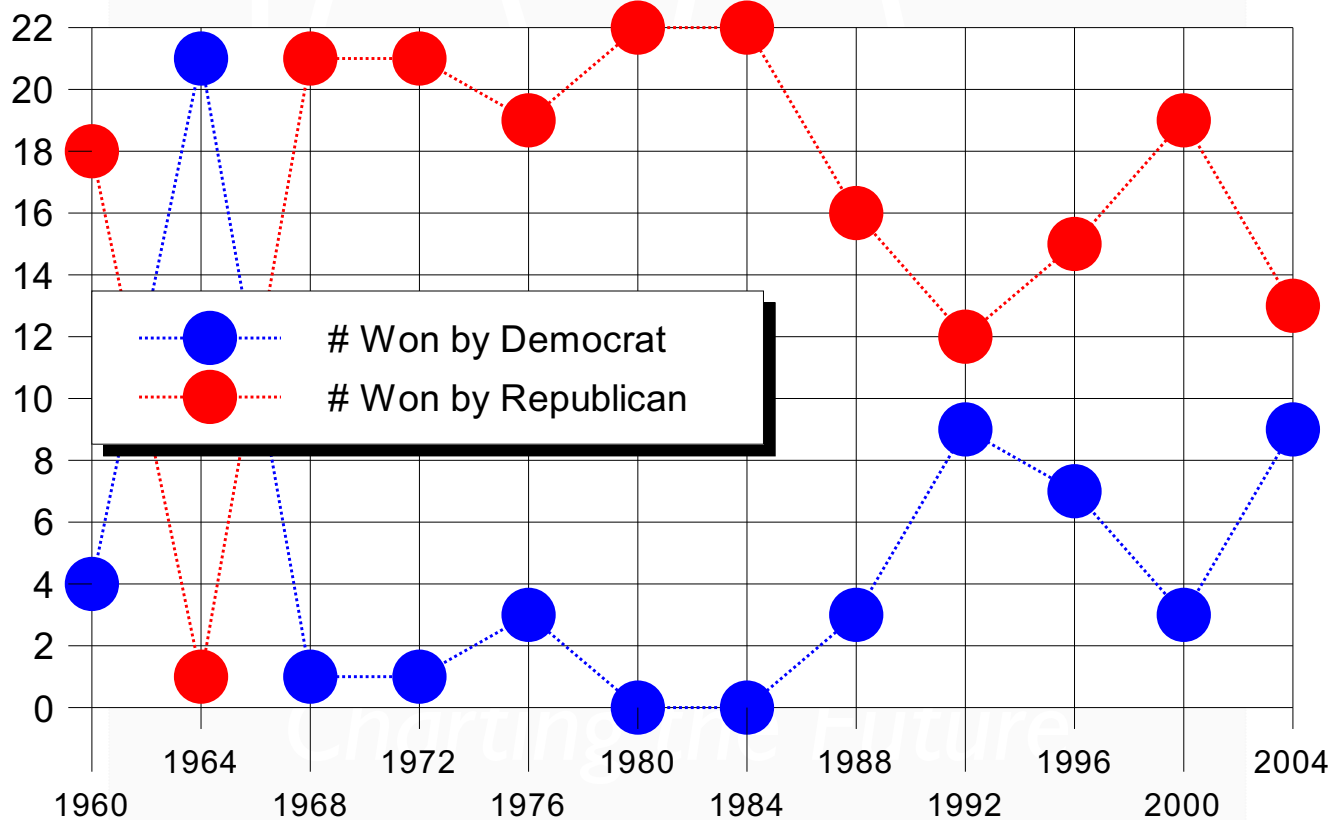


# Changes in Club 20 – Voting Patterns

Club 20 counties still vote Republican, but not as strongly as <1990s

## Voting in Club 20 Counties - 1960-2000

C20 Counties Won by Presidential Candidate, by Party





# Review the Data

---

**Same sorts of changes affecting A9 also affecting Club 20 counties, especially since 1990**

- Rapid population growth (even in face of declining oil prices)
- Rapid housing growth, and shift toward permanent homes
- Rapid job growth
- Relatively stagnant income
- Lagging educationally
- Politics shifting away from Republican monopoly

# Part 2 – Why the A9 are Changing

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**A fundamental question: Why are the A9 booming?**

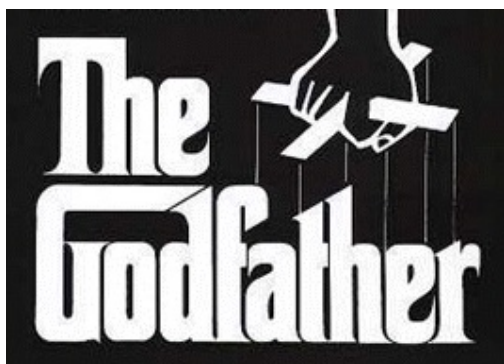
**Two basic reasons:**

**1. Because people want to move to the A9**

**2. Because they can**

- The link between where people work and where they live is becoming increasingly severed*
- There are Six Basic Changes driving this. The Six Basic Changes are affecting not just the A9, but all “nice” places to live (such as the Club 20 counties)*

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# The Thunderbolt

From "The Godfather" by Mario Puzo

*As for Michael Corleone, he found himself standing, his heart pounding in his chest; he felt a little dizzy. The blood was surging through his body, through all its extremities, and pounding against the tips of his fingers, the tips of his toes... It seemed as if his body had sprung away from him out of himself.*

*"You got hit by the thunderbolt, eh?" Fabrizio said, clapping him on the shoulder... "You can't hide the thunderbolt. When it hits you, everyone can see it. Christ, man, don't be ashamed. Some men pray for the thunderbolt. You're a lucky fellow."*

*Michael wasn't too pleased by his emotions being so easily read. But it was the first time in his life such a thing had happened to him. It was nothing like his adolescent crushes, nothing like the love he'd had for Kay (his former fiancée), a love based as much on her sweetness, her intelligence and the polarity of the fair and dark. **This was an overwhelming desire for possession...and he knew she would haunt his memory every day of his life if he did not possess her. His life had become simplified, focused on one point, everything else was unworthy of even a moment's attention .***



# Five Big Take-away Points

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## #1 – The Thunderbolt

- *People are moving to the A9 because they want to*

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# Why People Can Move to the A9

## The Six Basic Changes transforming the A9, nation, world

1. Technology
2. Economy
3. Transportation
4. Mores
5. Values
6. Quality of urban life

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# Basic Change 1 – Technology

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**Cheaper, more powerful, more ubiquitous**

- 1980
  - *Nofax, FedEx, PCs, telecommunications competition*
- 1990
  - *No World Wide Web, cell phones, DVDs, MRI machines*
- 2000
  - *No iPods; wireless internet, digital cameras, hybrid vehicles*
  - *What else will be commonplace in 2010?*

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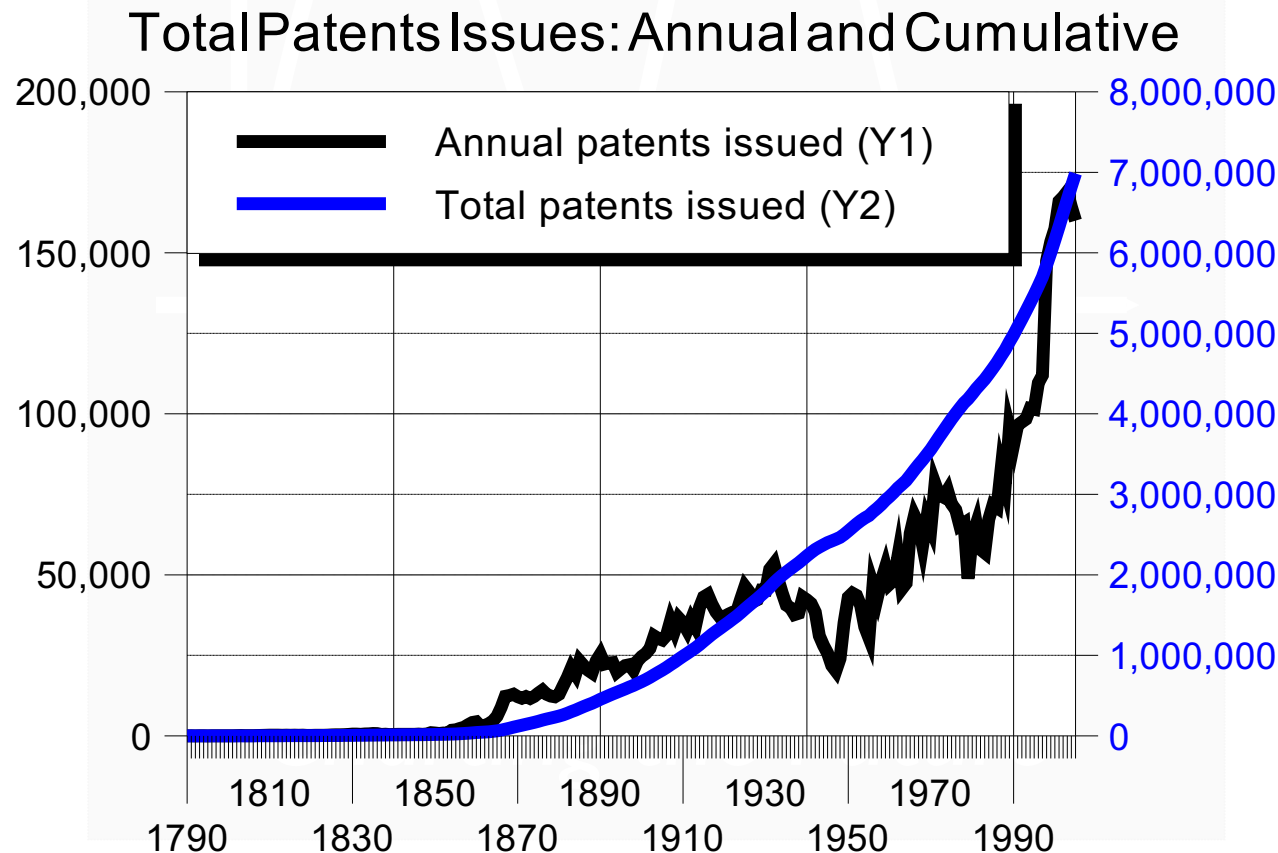


# Technology (cont.)

**Roughly 7 million US patents have been issued since 1790**

- Years needed for US Patent Office to issue 2 million patents:
  - 0-2 million: **99 yrs**; 2-4 million: **42 yrs**; 4-6 million: **22 yrs**; 6-8 million: **10 yrs**

US Patents: 1790-2005



# Basic Change 2: Economy

## A Theory of Economic Evolution

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### 4 phases of economic activity

- First generation – Hunter-gatherer
- Second generation – Land use
  - *Farming, forestry, other agriculture*
  - *Mining, oil & gas, other extractives*
- Third generation – Value added
  - *Manufacturing (where transportation allows)*
  - *Tourism (where scenery allows)*
- Fourth generation – Intellectual activity
  - *Professional services*
  - *Investments*

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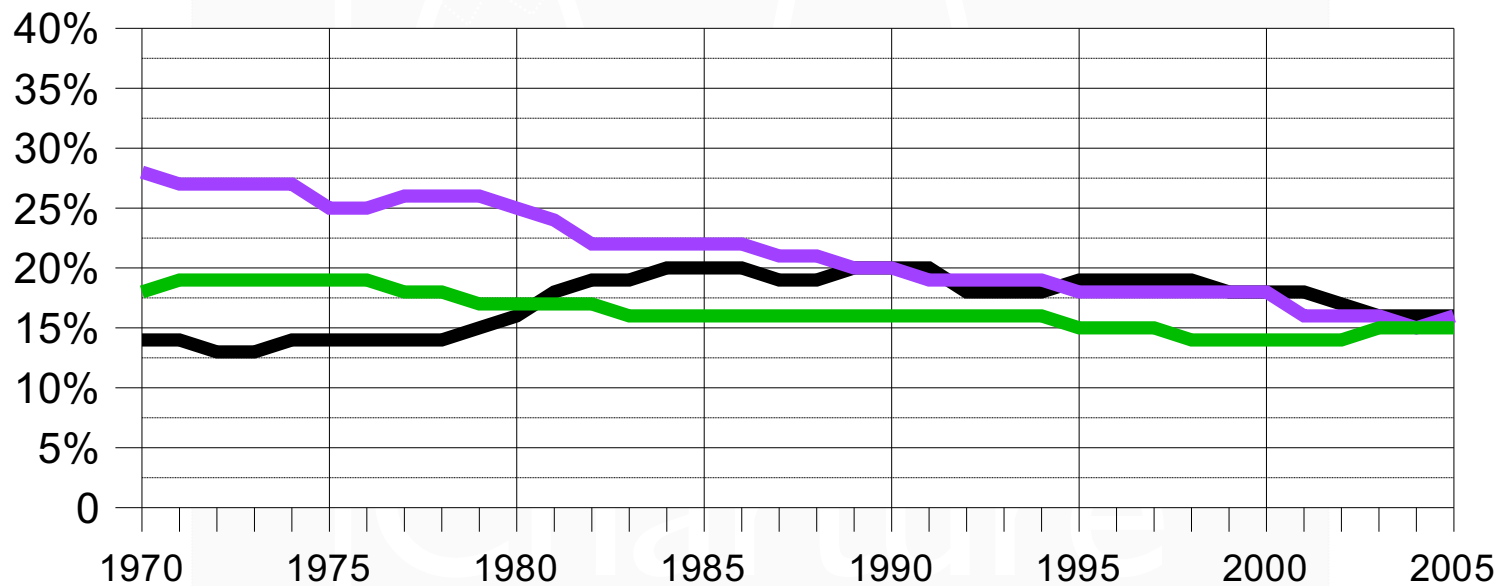





# Economic Evolution – I

## Economic Evolution in U.S.: Divergence to convergence

### Economic Evolution of the US - 1970-2005

Percentage of Total Personal Income from Different Sources



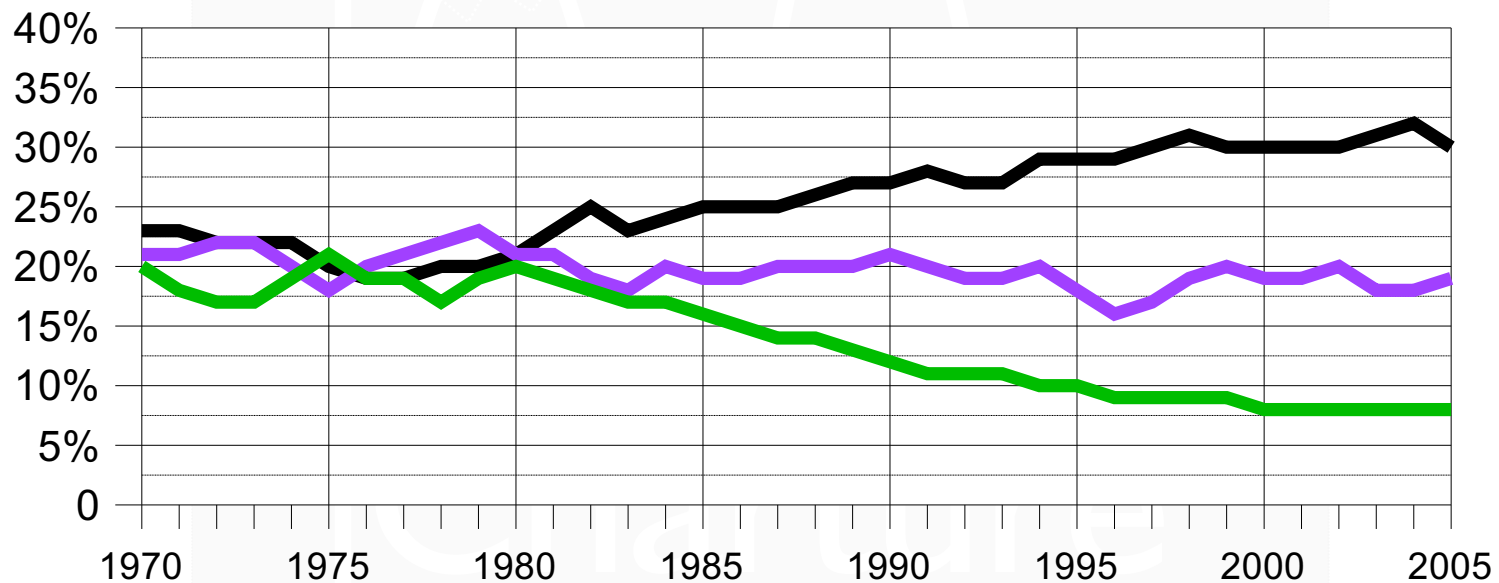
-  US - 4th Generation (investments)
-  US - 3rd Generation (constr., manufacturing, lodging)
-  US - 2nd Generation (ag., mining, government)




# Economic Evolution – II

## Economic Evolution in A9s: Convergence to divergence

### Economic Evolution of the A9 - 1970-2005

Percentage of Total Personal Income from Different Sources



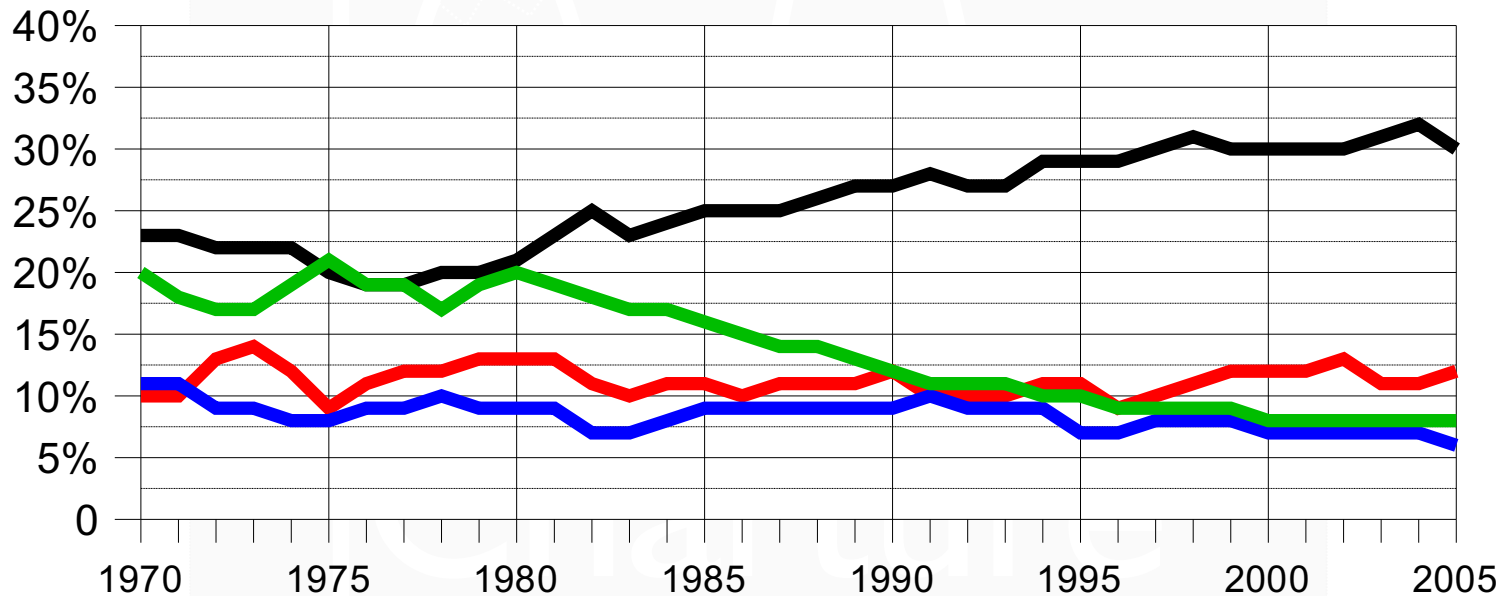
-  A9 - 4th Generation (investments)
-  A9 - 3rd Generation (constr., manufacturing, lodging)
-  A9 - 2nd Generation (ag., mining, government)

# Economic Evolution – III

## A9s: Construction is more important than gov't., lodging

### Economic Evolution of the A9 - 1970-2005

Percentage of Total Personal Income from Different Sources



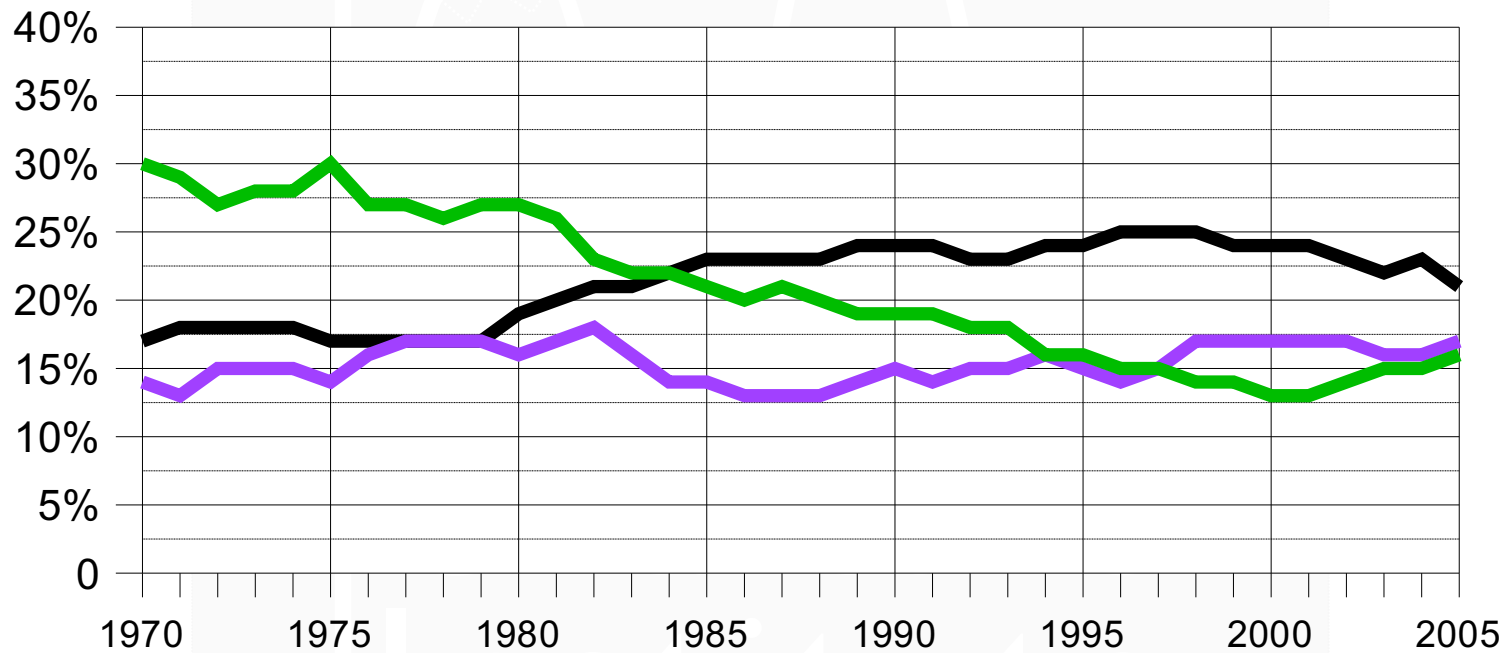
- A9 - 4th Generation (investments)
- A9 - 3rd Generation (construction)
- A9 - 3rd Generation (manufacturing & lodging)
- A9 - 2nd Generation (ag., mining, government)

# Economic Evolution – IV

## Club 20 counties: decline of 2nd generation; rise of 4th

Economic Evolution of Club 20 (All) - 1970-2005

Percentage of Total Personal Income from Different Sources



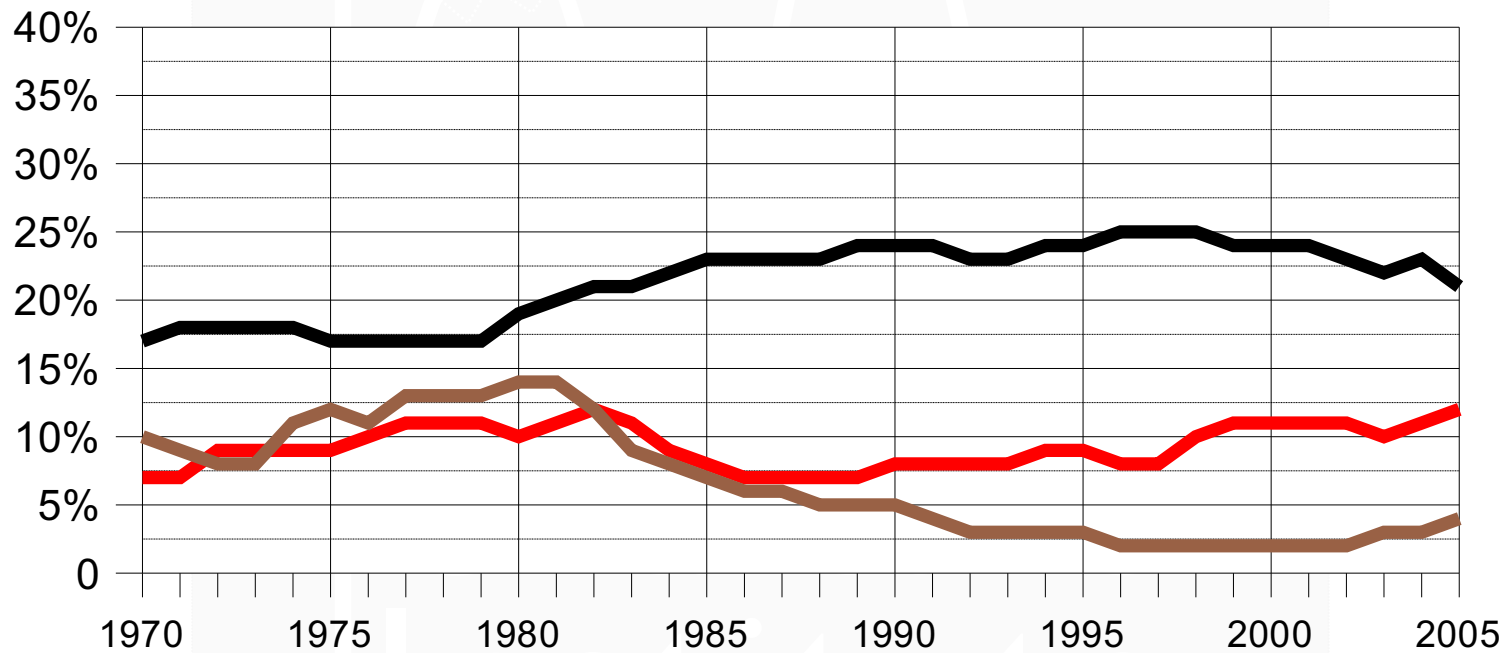
- Club 20 - 4th Generation (investments)
- Club 20- 3rd Generation (constr., manufacturing, lodging)
- Club 20 - 2nd Generation (ag., mining, government)

# Economic Evolution – V

## Club 20 counties: decline of 2nd generation; rise of 4th

Economic Evolution of Club 20 (All) - 1970-2005

Percentage of Total Personal Income from Different Sources



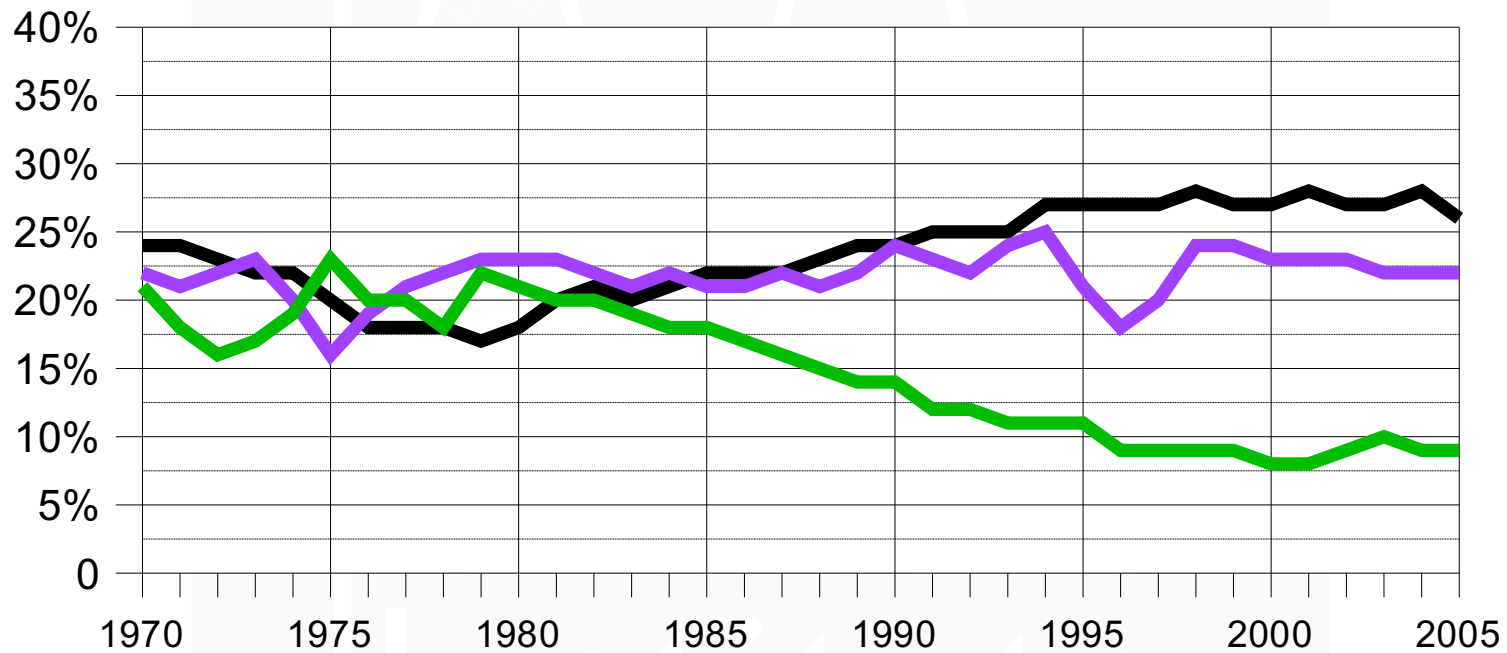
- Club 20 - 4th Generation (investments)
- Club 20- 3rd Generation (construction only)
- Club 20 - 2nd Generation (mining only)

# Economic Evolution – VI

**“A5” Club 20 counties are clearly 4th generation**

Economic Evolution of Club 20 (“A5”) - 1970-2005

Percentage of Total Personal Income from Different Sources



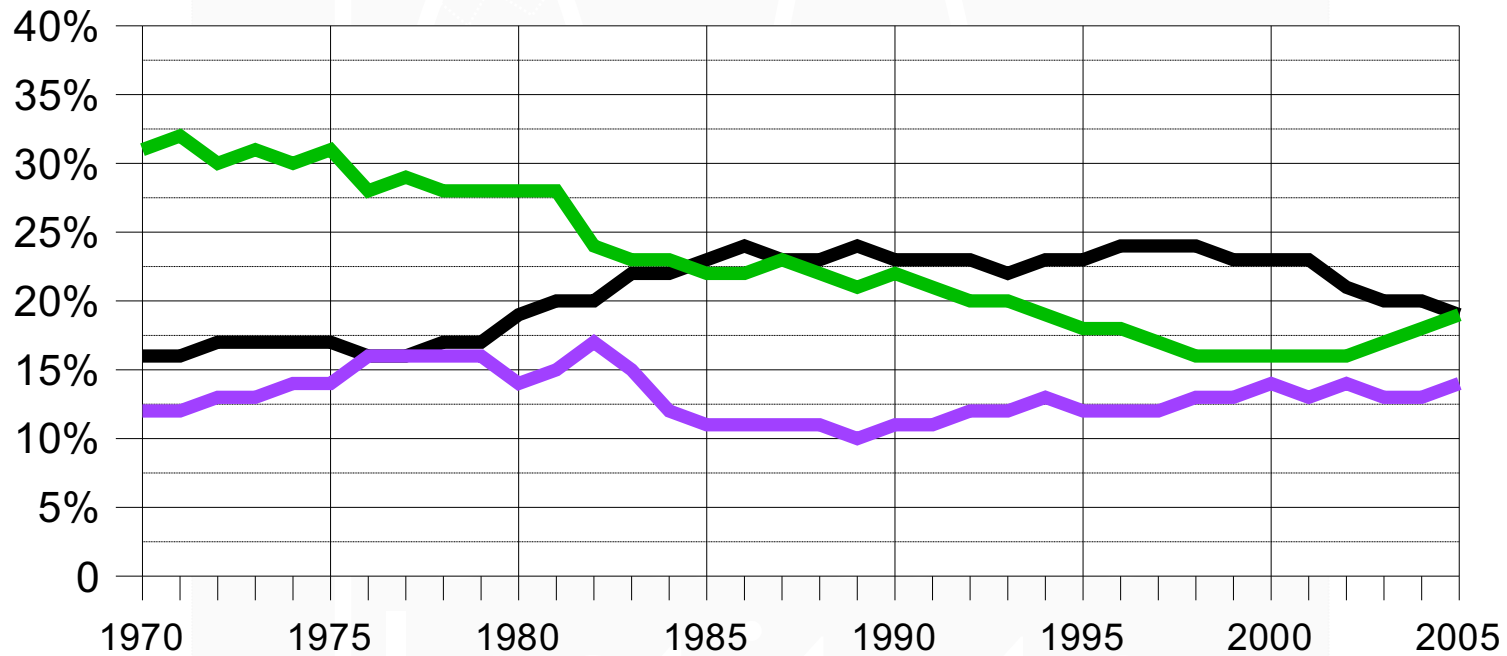
- Club 20 - 4th Generation (investments)
- Club 20- 3rd Generation (constr., manufacturing, lodging)
- Club 20 - 2nd Generation (ag., mining, government)

# Economic Evolution – VII

## 2nd & 4th generation are equal in non-A5 Club 20 counties

Economic Evolution of Club 20 (non-A9) - 1970-2005

Percentage of Total Personal Income from Different Sources



- Club 20 - 4th Generation (investments)
- Club 20- 3rd Generation (constr., manufacturing, lodging)
- Club 20 - 2nd Generation (ag., mining, government)

# Five Big Take-away Points

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## #1 – The Thunderbolt

- *People are moving to the A9 because they want to and because they can*

## #2 – The A9 are not tourism-driven economies any more

- *Tourism-amenities help lure permanent residents*

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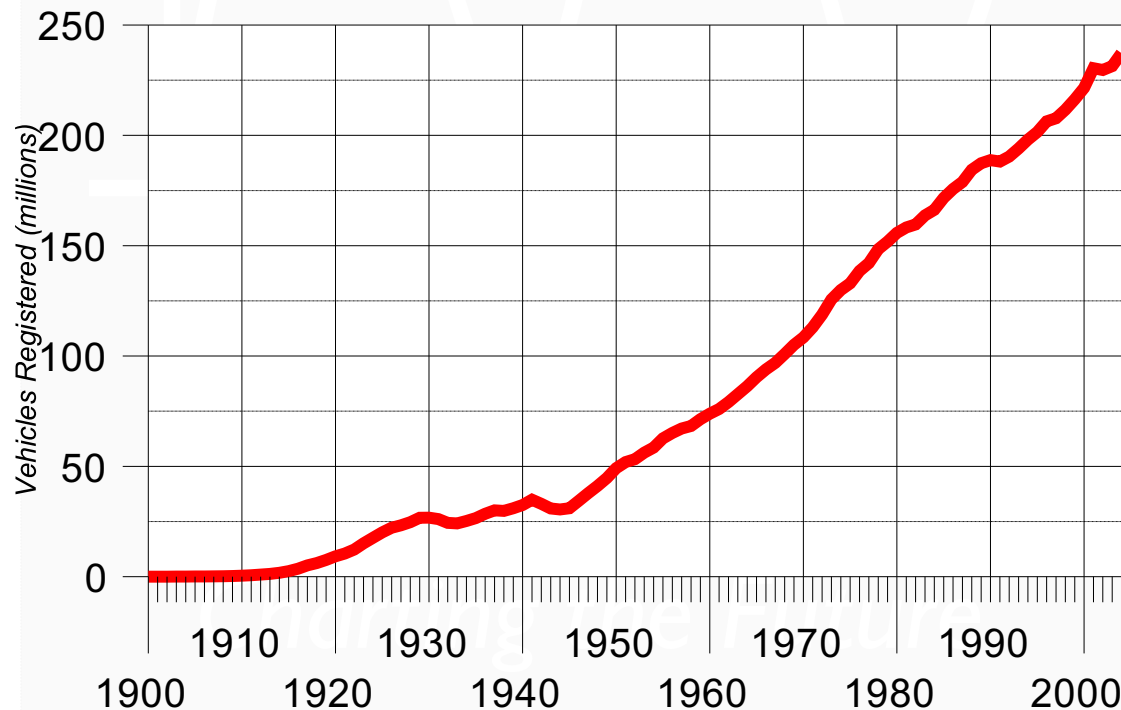
# Basic Change 3 – Transportation

**Roughly 250 million vehicles are registered in the US**

- Years needed for 50 million vehicles to be registered
  - *Zero-50million: 51 yrs; 50-100 mil: 17 yrs; 100-150 mil: 10 yrs; 150-200 mil: 16 yrs; 200-250 mil.: 12 yrs.*

United States: 1900 - 2004

Total Vehicles Registered, by Year

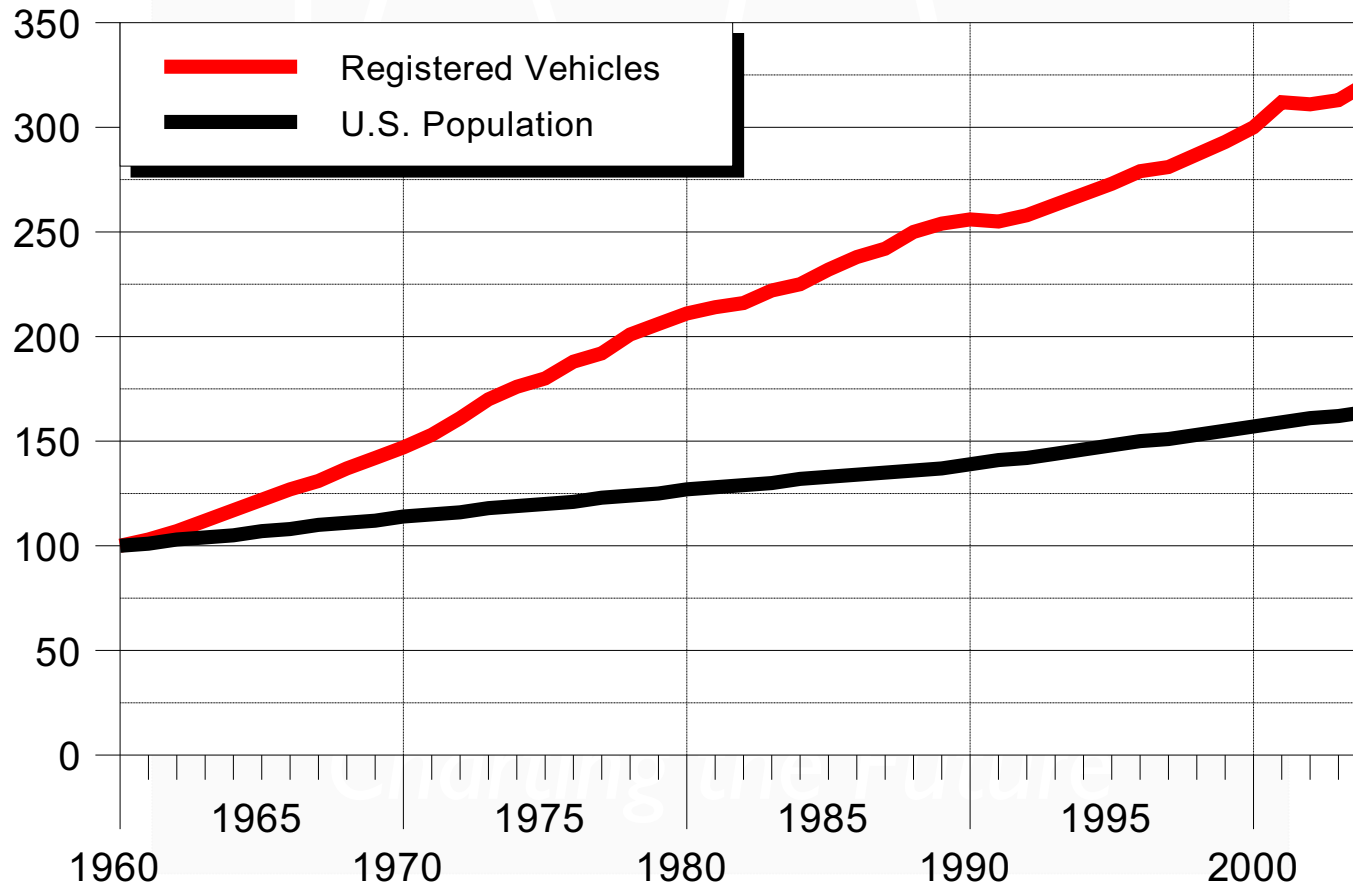


# Transportation (cont.)

Vehicle growth is about 4x faster than population...

## U.S. Population & Transportation: 1960-2004

Relative Growth of Population and Vehicles Registered (1960=100)

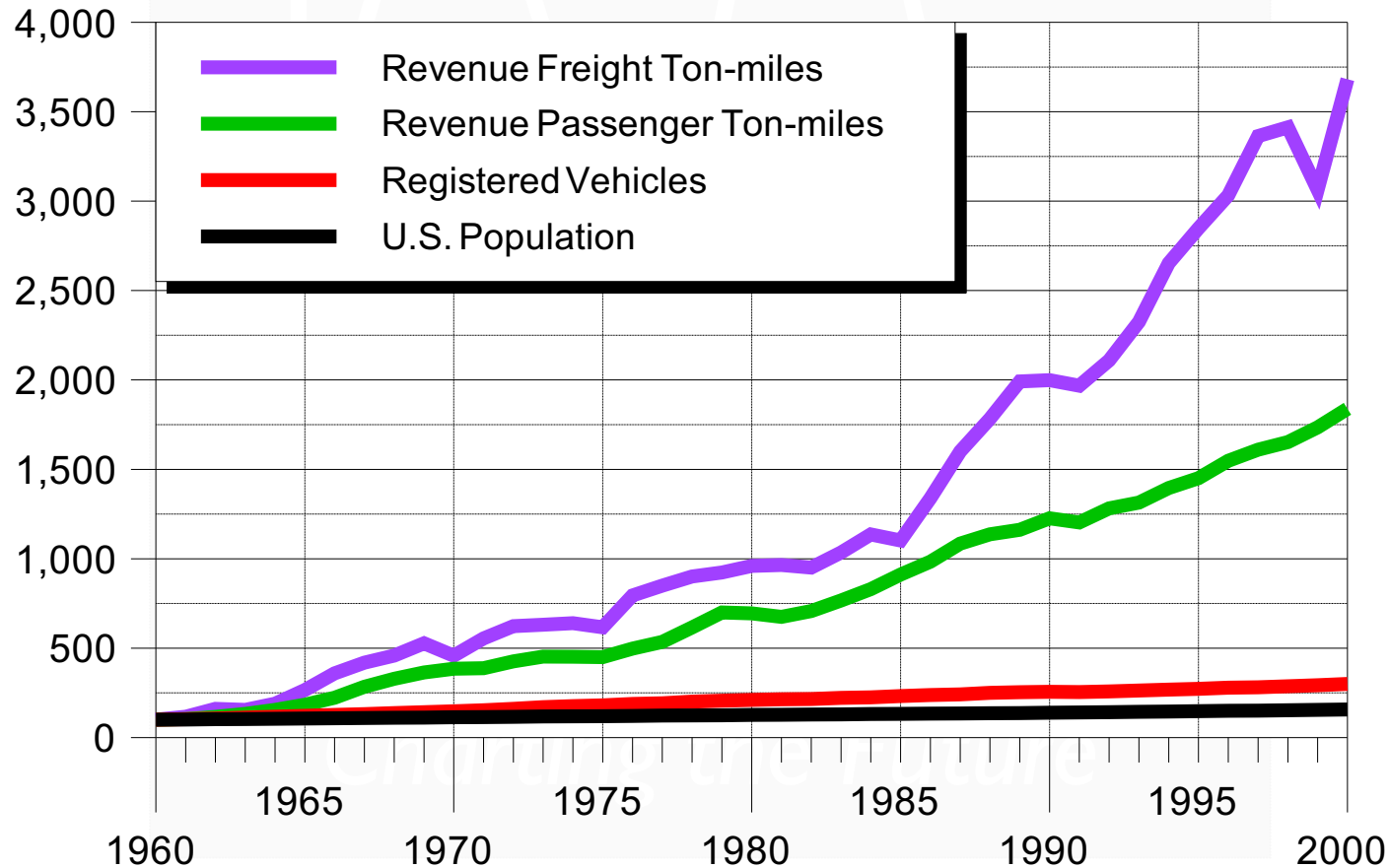


# Transportation (cont.)

...but vehicle growth pales in comparison to air travel/freight

## U.S. Population & Transportation: 1960-2000

Relative Growth of Population, Vehicles, Air Usage (1960=100)



# Basic Change 4 – Moeres

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**Increasingly, we want it all; deserve it all**

- Casual dress in the office
- Flex work schedules & tele-commuting
- We want the best; we want it for nothing
  - *Expectations on government for services – both quantity and quality – are growing exponentially*

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# Basic Change 5 – Values

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**The A9 counties have what people want**

- Healthy environment and wildlife
- Abundant recreational opportunities
- Simpler, more intimate communities
- Personal safety

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# Basic Change 6 – Quality of Urban Life

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**America's values and mores are becoming increasingly aligned with what the A9 have, less so with what America's cities offer**

- Cities becoming increasingly problematic
  - *Increasingly congested and hard to live in*
- Why make the continued sacrifice?
  - *Living in the A9 holds increasingly greater appeal; requires increasingly fewer sacrifices*
- The “Aha!” moment
  - *“I **can** have it all!” - move to an A9 and get recreational lifestyle; same income; higher quality of life*
  - *All for less; all with increasingly fewer sacrifices*

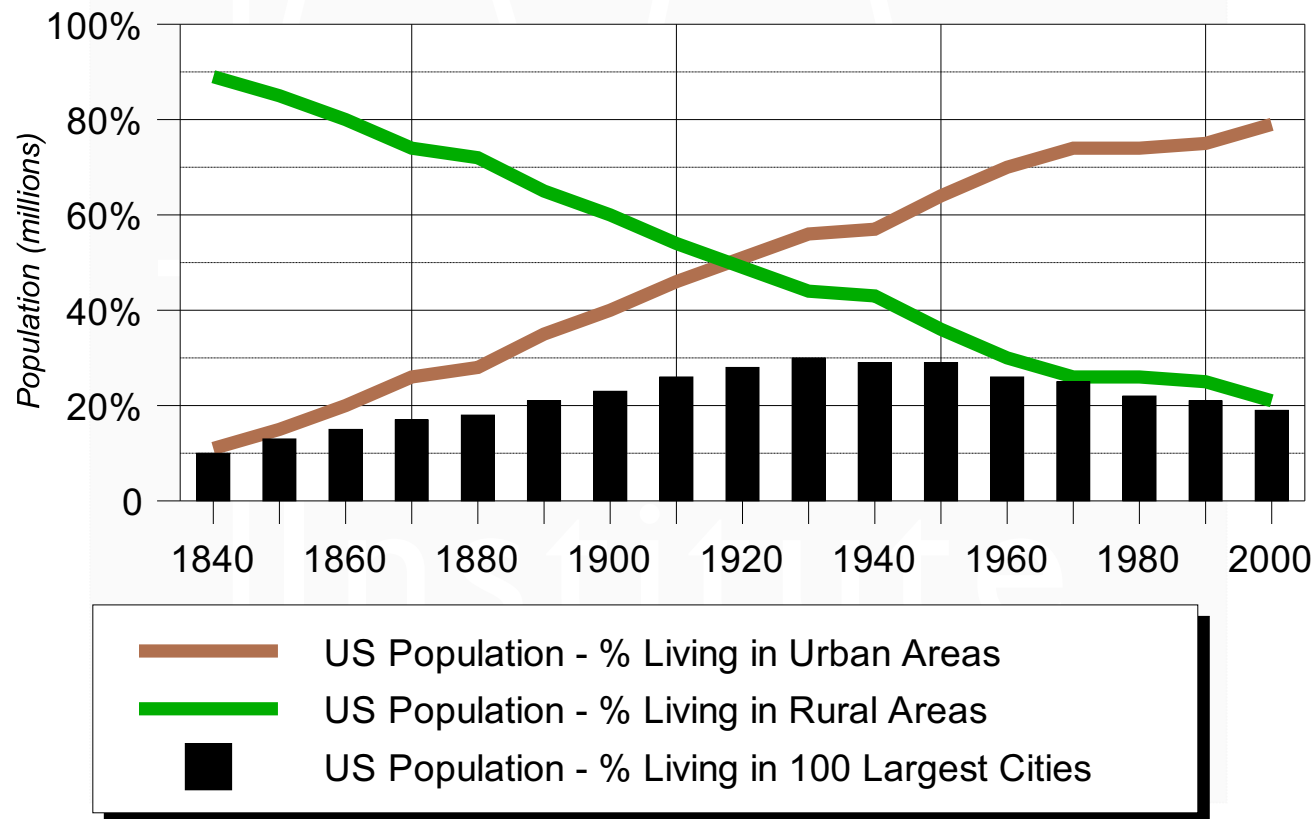
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# Quality of Urban Life (cont.)

The A9 are the new suburbs. The same basic forces that led (and allowed) people to leave major cities following WWII are leading them from the suburbs today

Residence of U.S. Population: 1840-2000

Proportion Living in Rural & Urban Settings; Major Cities



# Five Big Take-away Points

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## #1 – The Thunderbolt

- *People are moving to the A9 because they want to and because they can*

## #2 – The A9 are not tourism-driven economies any more

- *Tourism-amenities help lure permanent residents*

## #3 – The Six Basic Changes

- *Technology*
- *Economy*
- *Transportation*
- *Mores*
- *Values*
- *Changes in Urban Life-Virtual Suburbanization*

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# Part 3: The Effects of These Changes

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## Q: What's happened to the A9?

- Between 1900 and 1990, the A9 counties went from 2nd to 3rd generation; since 1990, the A9 counties have gone from 3rd to 4th generation
- The A9 are now “lifestyle economy” towns
  - *Residents are attracted to recreational amenities; resorts as public good*
  - *Screw up your town, and well-to-do residents will leave it just as quickly as they came*
  - *Reality: The A9s are where the rest of the world is heading*
- The bad news: A9 (and other resort town) leaders are using 3rd generation tools (planning, revenue generation, governance, etc.) and a 3rd generation mindset to deal with 4th generation challenges
  - *The poorer the synchronization between reality and perception, the harder it is to govern*

# The Effects of These Changes (cont.)

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## Q: What does the future hold?

- The 6 Basic Changes aren't going to reverse themselves
- The A9 will continue to face the same challenges, only more so
  - *The same hold true for other resort communities*
- The A9 will continue to become more economically diversified, less dependent on tourism, more like other communities (just way more beautiful...)

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# The Six Basic Changes and the A9

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## Q: What are the implications?

- A couple of no-brainers
  - *The A9 will continue to see above-average growth in many areas:*
    - ▶ Population, education levels, housing, income, etc.
  - *A9s' economies will become increasingly 4th generation, at the expense of "traditional" industries such as agriculture and tourism*
    - ▶ People with 4th generation incomes make more money; can outcompete 2nd and 3rd generation folks
    - ▶ Tremendous "community character" implications
- Unlike previous booms, this one isn't going to bust
  - *This boom is based on lifestyles & the 6 Basic Changes; not commodities*
  - *Unless, of course, we soil our own nests...*
- The new suburbs' suburbs
- Tremendous homogenization pressure/pressure to sell the community short
  - *Economic forces are homogenizing the US – A9 are not immune*
  - *You can replicate an outlet mall anywhere; not a mountain range*
    - ▶ Unique commands a premium; what makes **you** unique?

# The Six Basic Changes and the A9

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## Conclusions

- Social change follows economic change
  - *The A9s' demographic and economic changes are clearly here, but we don't perceive them*
    - ▶ We still think we're tourism economies, and the attendant social, political, and cultural changes haven't really been felt yet
  - *People can't move to a place without ultimately changing it*
    - ▶ This is particularly true in the A9, with its lifestyle-oriented arrivistes
- Communities can change very fast in one generation; perceptions change much more slowly
  - *Communities change much faster than government realizes/can react*
- Schechter's maxim: Economies change faster than perceptions; perceptions change faster than politics
  - *Leaders arrived in a tourism age; governing in a lifestyle economy age*
    - ▶ Government usually dependent on second- and third-generation income
  - *Our instinct is to look to government, but that's fool's gold*
    - ▶ Local governments are having a hard time keeping up with the growth and change overwhelming their communities; need help from all of us

# Don't Despair!

**The challenges you are facing aren't easy.  
In fact, they're unprecedented**

- The boom that A9 communities are going through is something new to the last 1-2 decades
  - *Club 20 communities are becoming more like A9; complicating things dramatically is the hydrocarbon boom*
- No one has “the” answer; few are even asking the right questions
- The combination of magnitude and pace of change are truly unprecedented
  - *Don't beat yourself up – celebrate that you're at least trying...*

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- *Values*
- *Changes in Urban Life – Virtual Suburbanization*

## #4 – Economic Evolution and Schechter's Maxim

## #5 – The changes the A9 are going through are new, different

- *It's more complicated still for Club 20 counties, trying to reconcile a 2nd generation boom with a 4th generation boom*
- *It seems hard because it is; there are no models out there*

# A Closing Thought from 100 Years Ago

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**Lord James Bryce, British historian**  
(from a speech at U.C. Berkeley, 1909)

*"What will happen when California is filled by fifty millions of people, and its valuation is five times what it is now, and the wealth will be so great that you will find it difficult to know what to do with it? The day will, after all, have only twenty-four hours. Each man will have only one mouth, one pair of ears, and one pair of eyes. There will be more people – as many, perhaps, as the country can support – and the real question will not be about making more wealth or having more people, but whether those people will then be happier."*

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# My Lord Bryce Thought

**In a world of increasing commodification, maintaining a true sense of community will be the differentiator for our towns, the key to future success in every sense: economically, socially, spiritually.**

**Fourth-generation leadership will be about identifying, measuring, and sustaining that sense of community in the face of forces hard to understand and even harder to control. If left unchecked, however, those outside forces will reduce the unique and wonderfully idiosyncratic qualities of our communities – the things that make the mountain west so special – to little more than an afterthought. We in the west have been given so much by our forebears; creating and executing this new way forward is our fundamental challenge, for it will determine the legacy we pass on to future generations.**

