

Jonathan Schechter – “Corpus Callosum” Column
Jackson Hole News&Guide – June 30, 2010

Over the years, my columns have been informed by two beliefs.

One is that people learn by comparison. The other is that Teton County is growing and changing at an incredibly rapid rate, which greatly compounds the challenges facing those trying to identify and sustain the qualities which make us distinctive.

Today, I'd like to blend these two by comparing the pace of change in Teton County to that in other American counties.

To do this, I've developed a crude “change index,” a tool based on the magnitude of change in two primary socio-economic indicators: growth in population and per capita income.

For example, according to the U.S. Bureau of Economic Analysis, in 2000 Teton County's population was 18,387. By 2008 (the most recent year available), it had grown to 20,541, an increase of 12 percent.

Similarly, in 2000, Teton County's per capita income was \$65,305. By 2008, it had grown to \$129,956, an increase of 99 percent. Multiply 12 percent by 99 percent, and you get a “change index” of 12 percent.

I repeated this process for each of the nation's 3,109 counties, and the results are pretty interesting.

Between 2000 and 2008, the American county which underwent the most dramatic socio-economic change was Sublette, Wyoming, our neighbor to the southeast. This, of course, was due to that county's natural gas boom, which led to a population increase of 40 percent and a per capita income increase of 128 percent. Combined, Sublette experienced a “change index” of 52 percent, by far-and-away the greatest change experienced by any U.S. county. (Table 1)

Perhaps even more remarkable is the county which came in fifth: Teton, Idaho. Thanks to a combination of easy money, Jackson Hole's boom, and essentially no land use regulations, the Teton Valley experienced a land development-based boom similar in spirit, if not magnitude, to Sublette's hydrocarbon-based boom. In particular, during those eight years, Teton ID's population grew by 48 percent, and its per capita income grew 56 percent, producing a change index of 27 percent. While only about half of Sublette's magnitude of change, it was still greater than that experienced by 3,104 U.S. counties, and nine times greater than experienced by the nation as a whole.

Teton County, Wyoming ranked 47th in the 2000-2008 change index, putting us in the top 2 percent of all American counties in how intensely change affected us. Taking a longer-term look, between 1990-2008, we had the 10th-highest rating in the nation. (Table 2)

Our boom also boosted Lincoln County, Wyoming. Having changed at about the same rate as the nation as a whole during the 1990s, between 2000-2008 Lincoln County ranked as the nation's 108th fastest-changing county, putting it among the top four percent of all American counties. Combine the four Teton-area counties, and you have the most rapidly-changing region in the nation.

To put that in perspective, look at the bottom end of the list. Since 2000, the counties which have suffered the greatest negative change have been those which are either among the nation's least-populated or were creamed by Hurricanes Katrina and Rita (e.g. of the 100 counties experiencing the most negative change from 2000-2008, 90 percent were either hurricane victims or have populations under 5,000). To

dramatically understate the case, far better to experience our kinds of change than theirs.

So what? What does it matter that local counties are changing faster than most of the nation's other counties, and that our region is changing faster than any other? I think it matters in three ways.

First, if it feels as though we've been through the ringer during the last 10-15 years, it's because we have: Jackson Hole's boom has produced not just profound regional change, but a magnitude of change not experienced by other places in the state or nation. As a result, the more conventional approaches we've taken to our challenges and opportunities have usually fallen short, a function of: a) mis-diagnosing the problem; and then b) applying the wrong tools to the cure. Sadly, we don't seem to be learning from this reality.

Second, the counties experiencing the most significant change during the past 1-2 decades can be thought of as boomtowns, and generally lumped into one of two categories: those whose booms were driven by minerals, and those where the booms were driven by construction (the latter usually occurring in bedroom communities outside economic centers).

In the Tetons region, we've not only had both, but also a third: Jackson Hole has grown not just because it's been a construction boomtown, but also because it's become an economic center for the region. Combine these two with Sublette's mineral boom, and it's created tremendous regional economic prosperity. However, now that Jackson Hole has become established as an economic center, Sublette's drilling has slowed down, and regional construction has dried up, we're suffering quite the hangover, and it will be with us for a while.

Third, while Jackson Hole and the surrounding region are going to continue to change at a pretty rapid clip, it's going to be a different type of change. While it's not completely clear what that change will consist of, it's abundantly clear it will not be accompanied by the broad-based income growth or prosperity we've seen over the last 1-2 decades. At a minimum, the stars which aligned for so long have shifted, and we're not going to grow our way out of our current trough through a renaissance of construction and hydrocarbons. This fundamental reality ought to be at the heart of any economics-related debates that occur during the upcoming election season, but it remains to be seen whether candidates can rise above the temptation to demagogue. I hope they do; I fear they won't.

Table 1
2000 - 2008: U.S. Counties Change Index
Growth in Population and Per Capita Income
All U.S. Counties - 2000 to 2008

Rank	County	Population			Per Capita Income			Change Index
		2000	2008	Growth	2000	2008	Growth	
1	Sublette WY	5,946	8,338	40%	\$28,976	\$66,122	128%	52%
2	Lincoln SD	24,529	39,685	62%	\$28,190	\$46,463	65%	40%
3	Sumter FL	53,554	75,219	40%	\$15,750	\$27,504	75%	30%
4	Pinal AZ	181,283	329,060	82%	\$17,598	\$23,985	36%	30%
5	Teton ID	6,100	9,032	48%	\$18,944	\$29,627	56%	27%
6	Flagler FL	50,560	90,700	79%	\$24,084	\$31,741	32%	25%
7	Kendall TX	23,965	32,923	37%	\$31,065	\$48,535	56%	21%
8	Dallas IA	41,070	59,977	46%	\$30,766	\$44,427	44%	20%
9	Paulding GA	83,004	133,300	61%	\$24,262	\$32,403	34%	20%
10	Douglas CO	180,311	281,138	56%	\$44,402	\$60,361	36%	20%
47	Teton WY	18,367	20,541	12%	\$65,305	\$129,956	99%	12%
108	Lincoln WY	14,614	16,681	14%	\$23,980	\$39,236	64%	9%
	United States	282,171,957	304,374,846	8%	\$30,318	\$40,166	32%	3%
3,101	Blaine NE	582	434	-25%	\$16,663	\$32,392	94%	-24%
3,102	Kiowa KS	3,254	2,297	-29%	\$24,961	\$45,866	84%	-25%
3,103	Wells ND	5,079	4,150	-18%	\$22,134	\$54,691	147%	-27%
3,104	Sheridan ND	1,697	1,247	-27%	\$18,610	\$37,593	102%	-27%
3,105	St. Bernard LA	66,988	37,669	-44%	\$21,997	\$35,690	62%	-27%
3,106	Issaquena MS	2,267	1,655	-27%	\$13,007	\$27,372	110%	-30%
3,107	Cameron LA	9,949	7,100	-29%	\$18,411	\$39,474	114%	-33%
3,108	Loving TX	64	40	-38%	\$74,000	\$140,275	90%	-34%
3,109	Esmeralda NV	972	664	-32%	\$24,439	\$50,950	108%	-34%

Table 2
U.S. Counties Change Index
Rank of Teton-area Counties Among
All U.S. Counties: 1990-2000; 2000-2008; 1990-2008

	1990-2000	2000-2008	1990-2008
Teton WY	17	47	10
Lincoln WY	750	108	322
Sublette WY	549	1	20
Teton ID	32	5	5