

Will the Valley's economy succumb to recession?

by Lisa Loomis

August St. John, an outspoken professor specializing in economic predictions, is often called the Professor of Doom and Gloom. He has earned the name because of his very accurate forecasts of economic shifts for southern Vermont resort areas, Burlington, and the state.

The Valley's economy will come under St. John's scrutiny on October 4 when the second in a six-part series of Valley Forums is held. That forum, entitled Economic Growth in the Mad River Valley: Boom, Bust, Boom, will be held at The Bridges conference room in Warren beginning at 7:00 p.m.

St. John is a professor of marketing and future studies at Long Island University and an economic planning consultant for the town of Manchester, Vermont. He has lec-

tured nationally and internationally on community change and development, and has caused a stir in recent months with his unabashed and often gloomy predictions for the state of Vermont and regions within it, according to Brian Shupe, director of the Mad River Valley Planning District, host of the forum series.

The Valley's economy, being tourism- and recreation-based, is similar to other economies St. John has made predictions for, and the local economy is experiencing stagnation at the moment. A ten year study of the local economy, prepared by Shupe, shows that while the population of The Valley has grown, and retail sales and service businesses have grown, rooms and meals receipts have not grown significantly.

"One conclusion is obvious,

the economic growth and related development associated with the Valley's resort economy has completely stalled after booming in the early eighties," Shupe writes in the conclusion of his study of the ten year period.

"Finally, and most importantly, almost all economic indicators either leveled off (gross sales, summer employment) or declined (rooms and meals receipts, skier visits, winter employment) the last year figures were available for them. Recognizing that 1988 and 1989 were years of economic expansion in New England, and that the Valley's economy was already showing signs of decline, the indicator's for more recent years may be expected to show continued decline during the years since 1988," he added.

The local economy has been

a priority concern for many. Several winters of poor weather along with flagging economies in near-by states have shown how fragile a tourism-based economy is. The purpose of this second forum, and St. John's visit, is to provide a starting point for discussing the Valley's economic future.

St. John had no qualms

about predicting Manchester's economic future, even though the news was not good. Based on a five year study, he suggested that Manchester is no longer able to support an elite recreation and tourist-based economy because the character of the area that originally attracted visitors is gone.