

## 6. *The New West and the Overproduction of Resorts*

In 2001–2002, an inquiry into Western booms and busts carries this sharp focus: how has the famed “New West” shift—from economies based on natural resource extraction to economies based on tourism, recreation, and second homes—reshaped the regional economic cycle?

However we respond to this question, we are required to be on guard against nostalgia. Any notion of a recently lost balance and solidity in the Western economy will not match up with the historical record. Mining jobs, for instance, may have paid better than telecommunications jobs, but they were rich with risk—both in terms of their capacity to inflict physical injury as well as in their vulnerability to disappearance when the price of minerals slumped. The New West economy is far from stable, but so was the Old West version. A striking paradox in the relationship between those two economies appears in ghost towns, relics of the old extractive economy that prove to be appealing visitor attractions in the later tourism economy.

The fact that tourists persisted in their travels in the Great Depression of the 1930s suggests that tourism may have a resilience unmatched by resource extraction. And yet the New West boom has been so closely tied to the purchasing powers of the well-off that a slippage in their spending power would carry big consequences. In the event of a serious and prolonged recession in the national economy, will we see ghost ski resorts and abandoned recreational equipment stores?

As *High Country News* Publisher Ed Marston mused, will monster homes be reconfigured into quaint bed-and-breakfast operations? Have resorts undergone the cycle of “overproduction” that has led to a collapse of markets in other commodities? In common understanding, a bust is signaled by the departure of residents. If the recent boom was so heavily characterized by the activities of people who built second homes or leased time-share condos, but did not move permanently to the region, what will become of depopulation as a traditional signifier of a bust-in-progress? When recent “settlement” has so heavily involved nonresidents, depopulation may no longer be a clear symptom of a bust.

### **Sun Valley as Prototype**

*Compiled from* Devil’s Bargains: Tourism in the 20th Century American West  
*by Hal Rothman*

The resort of Sun Valley, Idaho was way ahead of its time as a prototype for this New Western economy. With the Austrian Count Felix Schaffgotsch as his “scout,” Averill Harriman (descendant of the great railroad magnate E.H. Harriman) selected the area of Ketchum, Idaho for an experiment in making the most of tourism. Ketchum was itself a case study in the boom/bust economy; as historian Hal Rothman sums it up, “During the 1880s, silver mining created a brief heyday.” A population of 2,000 had shrunk to “the approximately 270 that remained in the 1930s,” when Harriman was launching his plan. Buying up the land, building a luxury hotel, and primping the ski slopes, Harriman launched his resort in 1936, with plenty of stars on hand. Skillfully deploying public relations experts, Averill Harriman sold the magnetic appeal of Sun Valley as a year-round resort. Harriman’s success made his resort, as Rothman has observed, a “prototype”; after 1936, “the race was on to equal Sun Valley.” This race, multiple examples have demonstrated, was no 50-yard-dash, but something closer to a marathon.

### **Parachute Retools: Post-oil-shale Shift to Retirement**

*Compiled from*  
[www.srobertaugust.com/projects/content/btm](http://www.srobertaugust.com/projects/content/btm)

When Exxon took on its oil shale project in Western Colorado in the early 1980s, the company predicted that there would be half a million people working and living in communities such as Battlement Mesa and Parachute. By 1984, energy prices collapsed and the demand for oil shale (an already questionable source of oil; see *section 8*) plummeted, leaving these communities with the infrastructure to accommodate thousands of people with a population of 800. Empty subdivisions were painful reminders of over-expectations. Due to Western Colorado’s mild climate and breathtaking scenery, as well as having accommodations more or less for the taking, the idea was sprung to turn these vacant neighborhoods of Battlement Mesa and Parachute into retirement communities. Enter S. Robert August and Company. Hired by Exxon, S. Robert August was hired to woo retirement home buyers through a sophisticated marketing and selling campaign. They were successful in expanding the population from 800 to almost 2,000, and claim to have drawn in upwards of 11,900 families to the area as well.

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## **The Environmentalists' Dream of a Bust**

*From Prentice Mulford's Story  
by Prentice Mulford*

The California mining camp was ephemeral. Often it was founded, built up, flourished, decayed, and had weeds and herbage growing over its site and hiding all of man's work inside of 10 years ... Of such settlements, Red Mountain Bar was one ... I lived "off and on" at the "Bar" in its dying days. I saw it decay gently and peacefully. I saw the grass, trees, and herbage gradually creep in and resume their sway all over its side as they had done ere man's interruption ... You had no idea how quickly nature, if left alone, will restore things to what we term "primitive conditions." If a great city was deserted in these foothills, within 20 years' time, the native growths would creep down and in upon it, start plantations of chaparral in the street, festoon the houses with vines, while winged seeds would fill the gutters and cornices with verdure.

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The situation is further complicated by the essential role of immigrants, many of them from Mexico, in providing support services to resorts. Resorts struggle to recruit a labor force of maids, housekeepers, gardeners, janitors, and bellboys. If the patronage of resorts drops away in a recession, this will have an unsettling effect on opportunities for immigrants with effects ricocheting into Mexico's economy.

In times of depression or times of prosperity, baby boomers will remain central players in shaping the region. As baby boomers age, and look to the West for places of retirement, service enterprises aimed at their needs may well grow. If the Fur Boom took up the 1820s, and the Energy Boom characterized the 1970s, then the early 21st century may come, in regional history, to be known as the Assisted Living Boom.

## *7. Bust as the "Most Effective Growth Control"*

In a widespread habit, people talking about booms and busts refer to booms as "good" economic times and busts as "bad" economic times. And yet people interested in encouraging the protection of open space and wildlife habitat, as well as people committed to the development of sustainable economies, argue that you can have too much of a "good" thing. Indeed, to some, the fundamental problem with the boom/bust cycle is that it thwarts thoughtful, sustainable development. To Westerners committed to the preservation of ecosystems, habitats, open space, recreation, and cohesive human communities, booms represent threat and injury, while busts present themselves as the only truly effective form of growth control.

Arriving at formal mechanisms for growth control-regulations and laws-challenges and strains the ingenuity and persuasiveness of public officials. **If officials in state and local government have an aversion to growth management through effective regulations and laws, then a bust can provide the "enforcement power" that government will not exercise.** Even though a bust is obviously a blunt and imprecise way to curb growth, the workshop discussion returned repeatedly to the desirable qualities of a bust. It puts the brakes on expansion that seems otherwise uncontrollable. It permits a period of reckoning and appraisal, and makes possible a chance to examine and reappraise hopes and goals. It can allow hardy organizations and communities to emerge in an even more vigorous and toughened condition, and it can cut back on enterprises that needed pruning anyway.

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### **Why a Bust Can be an Unfortunate Form of Growth Control**

*From Hardtimes in Paradise: Coos Bay Oregon, 1850-1986  
by William G. Robbins*

The mill closures [in the late 1970s and early 1980s] ... affected the Community Action Center in both a negative and a positive way. The unemployment was "dramatic in the negative" because it increased the workload of staff members handling cases ... But growing deprivation and economic hardship was a boom to advocacy and organizing, because the action agency began to serve "people who understood that a willingness to work hard didn't ... protect them from the system ...." [The bust meant] a loss of dignity to people who had labored hard most of their lives and are proud of their ability to support their families. "They've worked steady, paid their taxes, supported their community," Jerry Lantto points out, "and all of a sudden it's all gone, just down the tube."