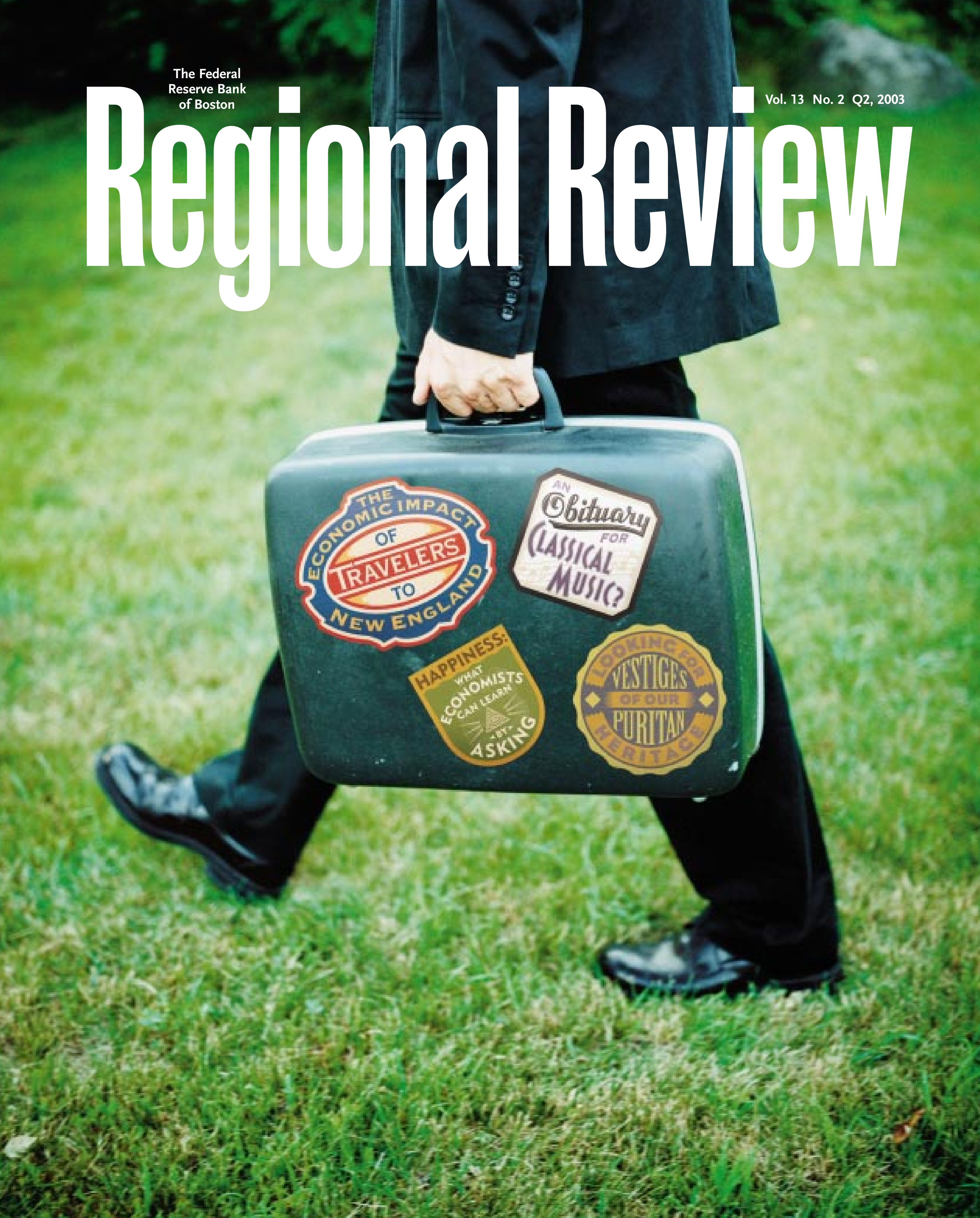
The Federal Reserve Bank of Boston

Regional Review

Vol. 13 No. 2 Q2, 2003



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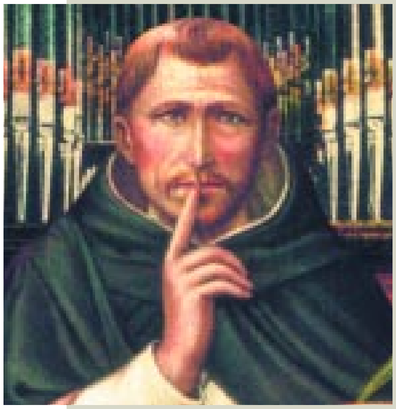





THE BEST COURSE OF ACTION sometimes relies on conventional wisdom. Yet digging beneath the surface can lead to important insights.

For instance, economists have generally not asked people directly about how aspects of the economy makes them feel. But new research has shown that the public does indeed have preferences about inflation, unemployment, and other policy issues, notes Jane Katz in **Issues in Economics**. While the best way to take these preferences into account is not always clear, doing so could lead to improved policy.

Likewise, commentators have been lamenting the death of classical music for many years. Yet the share of sales for classical recordings has held steady for the last several decades, and hits like The Three Tenors occasionally top the charts. Julie Lee argues in **A Requiem for Classical Music?** that classical music's biggest risk may come from factors that impede its ability to adapt in ways that make it exciting and relevant to a modern audience.

In **Putting Out the Welcome Mat,** Kristin Lovejoy assesses popular views of the tourist industry. Tourism is often portrayed as a large employer in New England, but one that pays low wages. Lovejoy finds that this segment of the economy is not any larger in New England than in the nation, but for some pockets of the region it is critically important.

Finally, Carrie Conaway investigates the lasting cultural effects of New England's Puritan heritage in **Like Father, Like Son.** Though it may seem improbable that the Puritan ethic could still affect us, she finds that both laws and attitudes continue to show the influence of our Puritan forebears and to distinguish us from the rest of the nation.

CATHY E. MINEHAN
PRESIDENT, FEDERAL RESERVE BANK OF BOSTON

COVER PHOTOGRAPH BY KATHLEEN DOOHER, LUGGAGE LABELS BY DANIEL PELAVIN

observations

Jetta-ing into debt

In Beijing, nothing screams, "Look at me!" like a flaming red Volkswagen Jetta. China's astounding growth over the last decade has been reflected in urban incomes. With elevated incomes comes the quest for elevated status, and there is no better symbol of status than a shiny new automobile.

But how all of the 1 million people who bought new cars in China last year managed to afford their purchases is puzzling. In the 1990s, passenger cars were the toys of privileged elites, who would simply walk into the dealership hauling a briefcase full of cash. Today's Chinese car buyers are increasingly likely to be members of the growing middle class, and they come to dealers with something else—loan papers. In 2002, a record 20 percent of Chinese car buyers financed their aspirations with a bank loan, fueling a 55 percent annual increase in auto sales.

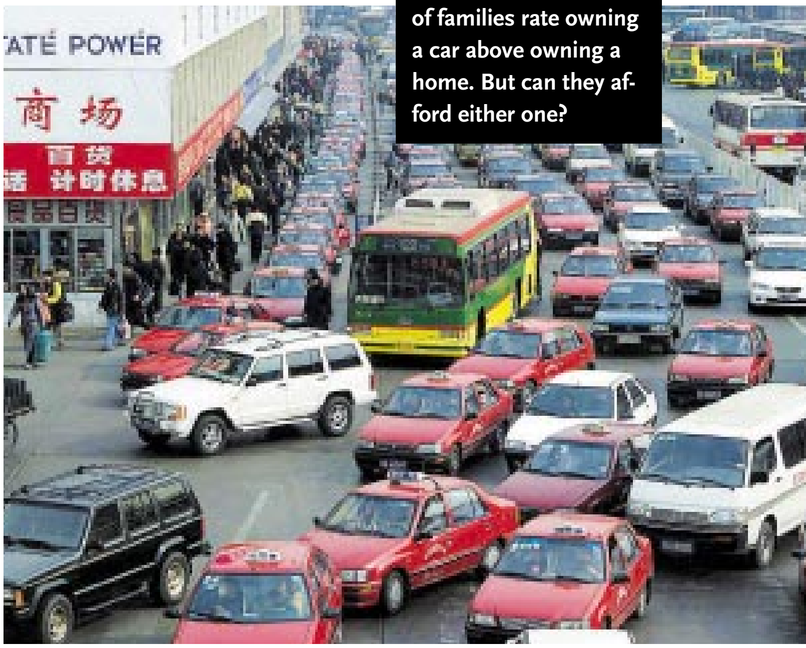
The problem is, the prices of new cars far exceed the incomes of those purchasing them. The top two sellers in China last year—the Jetta and the Santana—retailed for between $25,000 and $40,000 after adjusting for price differences. Yet in Beijing, 60 percent of families with an annual income of $5,000 or more plan to buy a car, and the average Chinese household feels that it can afford a new car at an income of about $9,600. Borrowing the typical 50 percent for a 60-month loan on a new Jetta, a household earning $9,600 per year would be forced to commit 35 percent of its income to car payments *before interest*. And that's after the down payment and registration, which together can exceed $20,000.

STATUS SYMBOL

Cost of most popular new car as a percentage of average annual income, 2002

Japan	21%
United States*	34
Italy	48
Mexico*	182
China	1,622

* 2001
SOURCES: Manufacturers' data, national statistical agencies, and BBC



SHOW ME THE MONEY

In Beijing, 64 percent of families rate owning a car above owning a home. But can they afford either one?

What happens to car buyers who take on more debt than they can handle? The short answer is…who knows? Many owe large debts not only to banks but also to friends and relatives who helped to finance the down payment. Many more exhaust huge portions of their savings to meet the steep up-front costs. Banks reserve the right to repossess the cars of borrowers who do not make payments, but with an underdeveloped legal system, there have been very few lawsuits. Is the Chinese car market an accident waiting to happen? —*Kristina Johnson*

Take home pay

The purchase of a home is a financially momentous step for a first-time buyer. In the greater Boston area, where the median selling price of a single-family home exceeds $415,000, this step may be too large for many young families to take. Recent economic developments such as low interest rates and new mortgage programs for first-time homebuyers have brought some families within reach. But the homeownership rate in Massachusetts, at 60.6 percent, still lags more than 7 percentage points behind the nation's.

Over the last decade, a solution has emerged that solicits help from an alternative source—employers. About one in seven employers nationwide offers some sort of housing assistance to their workers, according to a recent study by the Society of Human Resource Professionals. For instance,

ILLUSTRATION BY ADAM MCCAULEY, PHOTOGRAPH BY CORBIS IMAGES

Bentley College in Waltham, Massachusetts, offers their employees access to mortgage service and real estate benefits programs. Other area employers, like Citizens Bank and MassEnvelope Plus, are providing forgivable loans and generous mortgage rates to their employees. Employers see benefits for themselves and for their employees stemming from these programs, such as higher retention rates, greater job satisfaction, and a competitive edge in the quest to attract high-quality applicants.

As a long-term solution to the affordable housing problem, though, the benefits of employer-assisted housing are less certain. The programs currently help only a small proportion of the workforce; for instance, just seven companies have signed up for a Greater Boston Chamber of Commerce program introduced last year to help businesses set up employer-assisted housing. In addition, they take time to organize and can involve substantial legal and administrative costs. And it's particularly hard to convince employers to take on this additional cost during an economic downturn, when competition to attract workers is less fierce.

But perhaps most importantly, these programs do not affect the supply of housing. Two years ago, vacancy rates for owner-occupied housing in the Boston area dropped to a level of 0.6 percent, well below the 2 percent that is considered normal. Increases in supply since then have been minimal, exacerbating an already tight housing market. While employer-assisted housing programs may allow companies to help their own workers with housing issues, it remains to be seen whether the programs can contribute substantially to resolving Boston's affordable housing problem.

—Jennifer Young

WRITE TO US *We are interested in hearing from you. Please address your letters to: Federal Reserve Bank of Boston,* Regional Review, *P.O. Box 2076, Boston, MA, 02106-2076. Or send us an email at jane.katz@bos.frb.org.*

IT MAKES *sense to evaluate macroeconomic policies by how happy they make us.*

By Jane Katz

issues in economics

ECONOMISTS DON'T SPEND a lot of their time asking people about their feelings. They track wages and productivity, investigate spending and saving, even try to assess the causes and consequences of behavior that has not always been viewed as "economic," such as getting married and having children.

But economists have not focused much on measuring how ordinary people actually feel. In economic theory, the concept of "utility"—which refers not to usefulness but to a person's subjective valuation of the goods and services he or she consumes—comes closest to capturing what most people mean when they want to know whether an economic policy will improve human happiness. But in practice, economists have rarely tried to directly measure a policy's impact on utility or happiness, in large part because it's a difficult job. There are no obvious units that allow us to add up and compare how much happier a person will be in different situations; nor is there an obvious way to say whether one person is happier than another.

So, economists have often tried to sidestep the problem. Policy has typically been evaluated by factors assumed to be associated with happiness, such as income, productivity, or another measure of the capacity of the economy as a whole—or the individuals in it—to consume market goods and services. Certainly, economists didn't often ask anyone how they felt. Those questions were strictly for psychologists and the other "soft" social sciences.

But in economics, as in the rest of life, it's hard to keep feelings out of the picture. In *The General Theory,* John Maynard Keynes used the phrase "animal spirits" in an effort to explain the volatile (and he thought unreliable) spending behavior of entrepreneurs and other businessmen on investment goods—behavior that in Keynes's view was a major culprit causing economic downturns. And "consumer confidence," regularly measured by the Conference Board, is an attempt to capture economic fundamentals as well as how the public "feels."

Moreover, it makes sense to choose and evaluate macroeconomic policies by how happy they make us. After all, the object of reducing inflation and unemployment is not simply increased income or wealth in and of itself—or even the better health and longer life expectancy they might bring—although these clearly do matter. We care about how we feel. Are we happy? Would a different policy make us happier? So, macroeconomists are beginning to show their softer side. They care about how you feel. And they may even ask you about it.

Higher inflation? Rising unemployment? So, how does that make you feel?

ILLUSTRATION BY JULIETTE BORDA

ALL THAT IS SOLID

Everyone agrees that unemployment and inflation make people unhappy, and that policies to reduce them make people happier. What is not so clear is by how much. Are the gains to reducing inflation and unemployment large or small? Do they depend on whether current rates are at high or low levels? And, if there are short-run tradeoffs—for example, if lower unemployment means higher inflation—how do people feel about making this tradeoff?

In the past, economists have attempted to measure the unhappiness created by unemployment by looking at proxies for happiness such as lost wages, the loss of skills and other human capital, and even the reduced health outcomes that might result from being unemployed.

Measuring the cost of inflation was a little trickier, in part because economists define inflation as a sustained rise in the general level of prices—not as the rise in the price of only a few goods and services. In the textbook case, the price of everything you buy (food, housing, clothes, computers, movies, healthcare) rises by the same percentage as everything you sell—primarily labor (that is, wages), but also products you produce and sell, and interest on money you lend, rents, etc.), leaving your long-run real income essentially unchanged.

This suggests that inflation won't have a big impact on happiness because, by itself, it doesn't really affect anyone's long-run standard of living. The negative impact results mainly from a loss in wealth to anyone holding cash, since the value of the cash in your pocket does not increase along with the price of the goods and services you buy and sell. (In the real world, of course, contracts and other institutional arrangements such as tax rates are not always indexed to price changes and prices do not all rise exactly in tandem. But more on that later.)

Until recently, most calculations of the textbook cost of inflation have come from economic models. For example, Nobel Laureate Robert Lucas figures the gains to permanently reducing inflation from 14 percent to 3 percent to be slightly less than 1 percent of GDP each year in perpetuity. He argues that this gain is much larger than the potential gain from improving policies to smooth the fluctuations in income that come with the business cycle. While many economists think that unemployment must rise temporarily in order to reduce inflation, Lucas doesn't estimate or include this cost.

It's also worth pointing out that an inflation rate of 14 percent is very high by U.S. standards, and that a reduction of 11 percentage points is far larger than that which typically occurs over the U.S. business cycle. That is, the benefits to reducing inflation from 3 percent to zero would presumably be much smaller. And none of these results come from actually asking people how they feel.

IF YOU WANT TO KNOW, ASK

Yet, one need only look at the newspaper to see that people seem to care quite a lot about both inflation and unemployment. In order to learn more about public attitudes, Yale University economist Robert Shiller decided to actually ask people questions, such as: Do you have worries that if inflation rises too high, then something really bad might happen? Do you think that controlling inflation should be a high priority for the U.S. government and its agencies? Shiller surveyed a group of ordinary people and also a sample of professional economists, motivated in part by the apparent differences between what economists think and what the public feels. "Studying public attitudes," he remarks, may help policymakers "better understand the reasons that they should (or should not) be very concerned with controlling inflation."

What did Shiller learn? Almost everybody (about 90 percent of U.S. respondents) thinks inflation is an important policy issue, although without specifying what is meant by "a high priority" such answers may tell us less than might appear. The notion that the general public sees more harm than do professional economists is also confirmed. When asked, "Do you agree that preventing high inflation is an important national priority, as important as preventing drug abuse or preventing deterioration in the quality of our schools?," the fraction of U.S. respondents who agreed (84 percent) was substantially higher than the fraction of economists who agreed (46 percent)—although Shiller's questions don't define how high "high" is. More than one-third of the public agreed that keeping inflation low is important enough that they would not approve of a policy that caused the rate to double even if it were also certain to double the economy's growth rate (corrected for that inflation). Only 7 percent of economists would not favor the policy.

The public and economists show more consensus on recession. About 80 percent of the general public (and 75 percent of economists) agreed that preventing recession is as important as preventing drug abuse or bad schools. And more than 80 percent of both groups would favor policies that reduced recessions even if the policies were to equally reduce booms.

Shiller also inquires directly about the tradeoff between unemployment and inflation. He asks respondents to choose between an inflation rate of 2 percent and an unemployment rate of 9 percent (12 million people) and an inflation rate of 10 percent and an unemployment rate of 3 percent (4 million people). Although the alternatives are extreme and presented without historical context, people's choices are still striking. About 75 percent chose lower inflation at a cost of much higher unemployment.

Why do people seem to care this much about inflation when textbooks suggest that the long-run impact may be relatively small? Some mention concerns that high inflation might precipitate a financial collapse, lead to business failures, or inhibit economic growth. Others worry that high inflation affects the gap between rich and poor, although respondents are not always clear—or in agreement—on exactly how each of these various harms occurs.

But the biggest reason is: People appear to believe that inflation will hurt their standard of living. When asked to imagine how things

People dislike inflation in part because they believe it hurts their standard of living

Further reading

"Macroeconomic Priorities," by Robert E. Lucas, Jr., Presidential Address delivered at the American Economic Association meetings, *American Economic Review,* January 2003.

"Why Do People Dislike Inflation?" by Robert Shiller, in *Reducing Inflation: Motivation and Strategy*, edited by Christina D. Romer and David H. Romer, University of Chicago Press, 1997.

"Is Business Cycle Volatility Costly? Evidence from Surveys of Subjective Well-being," by Justin Wolfers, National Bureau of Economic Research Working Paper 9619, April 2003.

would have been different if the United States had experienced higher inflation over the past five years, only about a third of respondents thought that their (nominal) dollar income would have been higher. That is, people tend to overlook the impact of higher inflation on their wages on other sources of income and assume that inflation will reduce the purchasing power.

The public's apparent belief that inflation means lower living standards may reflect the fact that in the real world (as opposed to textbooks), prices never rise by exactly the same amount. For example, in the 1970s, the most recent inflationary period in the United States, oil prices rose much faster than other prices, and oil companies benefited at the expense of most average people trying to heat their homes or put fuel in their cars. Shiller's results suggest the people may recall and associate inflation with the effects of the particular 1970s inflation that they remember.

It may also reflect the fact that unexpected price increases may hurt lenders (and other sellers using long-term contracts), while benefiting borrowers (and other buyers), if contracts do not index the dollar payments to inflation. Similarly, there may be gains to the government if tax rates are not indexed to inflation. Almost half of those surveyed reported being angry at someone when they see prices rise—the government, manufacturers, store owners, Congress, and greedy people were all mentioned. Almost three-quarters of ordinary respondents (and half of economists) agreed that the confusion caused by price changes allowed their boss, the government, or others to play tricks on them by "forgetting" to raise wages or change tax rates. However, no one answering the survey questions seemed to think they personally benefited from inflation.

Also striking is the extent to which public concern about inflation seems to extend beyond its immediate economic ramifications. A large fraction of the public believes that a high inflation rate causes society to lose "its cohesion and the feeling for the common good" (65 percent) or "lead to economic and political chaos" (91 percent) or "lose international prestige" (82 percent). This suggests that people dislike high inflation in part because it often reflects larger problems in the way a country is being run or governed. But one can also interpret this, particularly the concern for the "common good," as a response to a change in relative prices—and to the potentially disparate impact it has on the well-being of particular individuals—as much as to unhappiness over the general rise in prices by itself.

PUTTING THEIR MOUTHS WHERE THEIR MONEY IS

A third study by Stanford Business School economist Justin Wolfers, in his words, "treads a path between the approaches of Shiller and Lucas." Wolfers makes use of regular surveys that ask people in a number of countries how satisfied or happy they are with their lives. By comparing and correlating the survey results with contemporaneous macroeconomic conditions, Wolfers can infer how changes in inflation and unemployment affect how happy people report being.

Wolfers results tend to show people placing greater weight on reducing recession and unemployment relative to inflation than either Lucas or Shiller. He estimates that an increase in the inflation rate of 10 percentage points lowers the share of the population that is "very satisfied" with their lives from 28 percent to 26 percent, while a similar increase in the unemployment rate decreases the "very satisfied" group by a whopping 12 percentage points.

Wolfers also finds that increasing levels of unemployment do "increasing harm to well-being." That is, when the unemployment rate is 15 percent, the increase in happiness to reducing the rate is quadruple that when unemployment is 5 percent, while reducing inflation by 1 percent is pretty much the same, regardless of the level of inflation. In his words, "The public appears to be extremely averse to unemployment."

Finally, Wolfers calculates a "happiness tradeoff." By this calculation, reducing unemployment by 1 percentage point improves happiness by the same amount as reducing inflation by 5 percentage points. What does this mean for the short-run tradeoff between the two policy goals? Consider a central bank trying to permanently reduce inflation by 1 percentage point. According to Wolfers, if the cost of such a policy is a temporary increase in the unemployment rate of about 2 percentage points for a year (as research suggests), the public would be slightly happier with the 1 percent reduction in inflation. But if the increase in unemployment were to persist for a longer period or the drop in inflation were not permanent, then happiness would decline.

WHAT DOES THE PUBLIC WANT?

These studies suggest that asking the public what it wants can yield insights not easily derived from models—and that further work might help reconcile some of the apparently conflicting findings of Shiller, Wolfers, and others.

At the same time, studies like these also raise interesting and thorny issues about how one would best incorporate public preferences into macroeconomic policy decisions. If, for example, some of the public's dislike for inflation is a result of shifts in the relative prices of various goods and services that come along with inflation, what does this mean for central bank policy—which can affect the overall price level but not relative prices? And what if how people feel (and how they answer questions about how they feel) depends on when and under what conditions and in what context they are asked, as much research suggests is true? This means that preferences about policy may not be stable over time but may shift around in ways that do not make taking account of them straightforward.

Yet, finding answers and improving policy will likely require supplementing economic models with a serious attempt to figure out what the public wants. And if you want to know what makes someone happy, it is usually a good idea to ask. ❊

How big is the tourism industry?

Putt

Visitors play an important role in bringing business to a number of New England communities.

By Kristin Lovejoy
Photographs by Kathleen Dooher

ing out the welcome mat

At any given moment, travelers all across New England are also satisfied customers. Perhaps they are canoeing in Acadia National Park, or meeting with a Boston client, or honeymooning in a Vermont bed-and-breakfast, or participating in a conference at an area university.

Wherever they are, they are not the only ones who are happy that they are there. Local business owners and policymakers are also glad to have them visiting—and leaving money in the local economy.

State and local governments spend millions every year to bring visitors into their region. They support visitors' bureaus, launch advertising campaigns, and subsidize major investment projects designed to entice visitors. In New England, funding for state visitor bureaus has ranged from about $1.60 per Massachusetts resident to over $9 per resident in Vermont. And projects such as the Massachusetts Museum of Contemporary Art in North Adams, the new convention center in South Boston, and the proposed Harbor Heritage Museum in Providence have all been channeled public money in hopes of boosting traveler flows.

Yet, despite the obvious interest in enticing visitors, both in New England and elsewhere, pinning down the size and economic impact of visitors to an area is more complicated than one might think. In New England as a whole, the economic impact of visitors seems to be about the level of the national average. But in certain areas, visitors play an especially important role in bringing business to the local community.

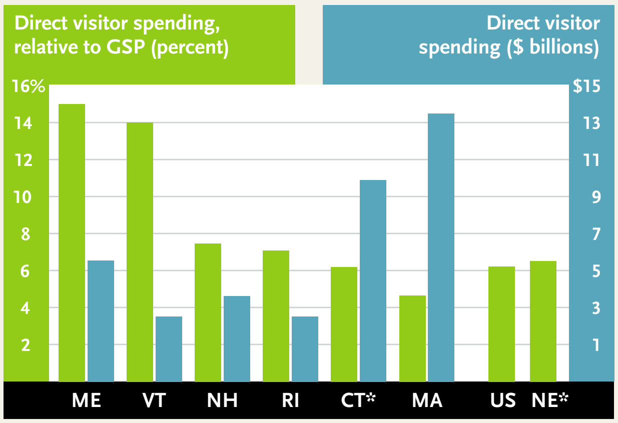
MEASURING THE IMPACT

What makes catering to visitors so popular as a tool of economic development is that it functions like an export—visitors bring in spending that otherwise would not be part of the local economy. Travelers to an area, including both leisure and business travelers, spend not only on hotels, taxis, and entertainment, but also on clothes, dry cleaning, sunscreen, and a host of other items—all while requiring fewer local government services (such as schools) than do residents. And visitors tend to spend more extravagantly while they are away than they would at home. In addition, the effect of each dollar spent by a visitor is amplified when it is respent locally, such as when a restaurant buys lettuce or paper cups from a local wholesaler, or when a hotel manager uses his or her salary to purchase clothing or childcare from local businesses.

Sales to visitors function like exports, bringing outside money into the

Out-of-town spenders

Visitor dollars have the greatest economic impact in Maine and Vermont, where travelers are numerous and where there is less overall economic activity.



* All data are for 2000 except CT, which is for 2001

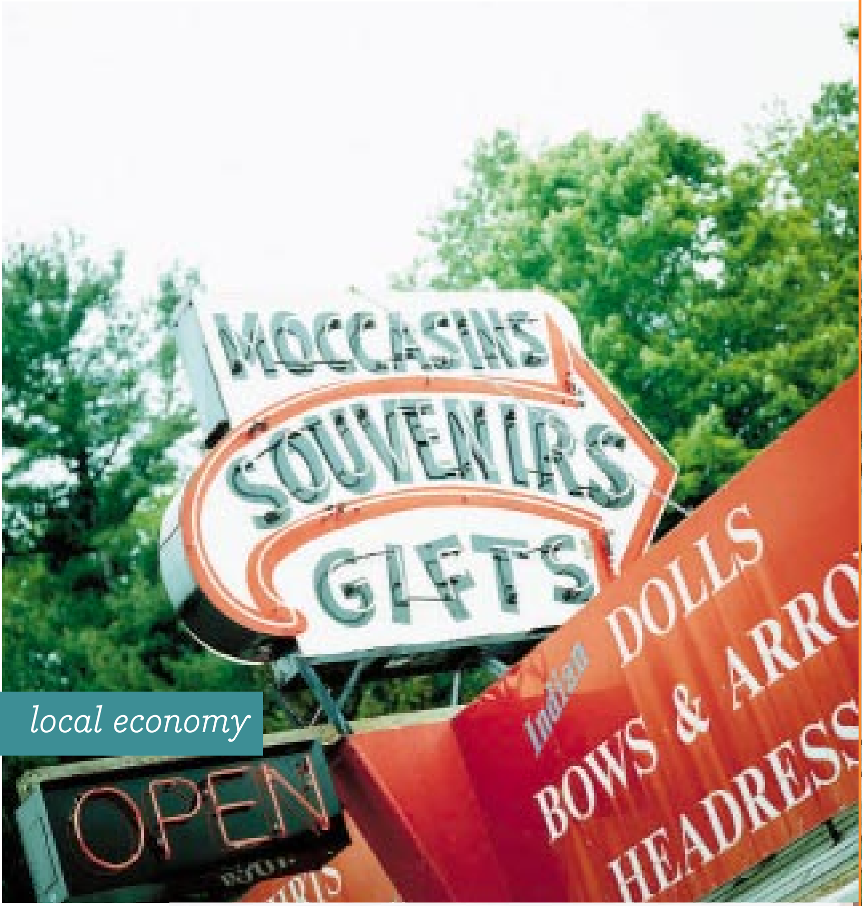
SOURCES: Bureau of Economic Analysis; Tourism Industry Association of America; Connecticut Center for Economic Analysis; Maine Office of Tourism; Massachusetts Office of Travel and Tourism; Institute for New Hampshire Studies, Plymouth State College; Office of Travel, Tourism, and Recreation, University of Rhode Island; Vermont Tourism Data Center

But sizing up the overall impact is tricky. There is no easy measure of how much money travelers spend, since many of the goods and services visitors buy are also purchased by local residents. Industry statistics (such as by SIC or NAICS code) are derived from businesses—such as hotels, restaurants, or retail establishments—that report overall revenues, but do not separate "visitors" from local customers. And deciding whom to count as a visitor is not obvious. Should it include someone coming from the next town? Two towns over? The next state? Should it include day trips such as a Worcester school's field trip to Six Flags, or a Lovell, Maine resident shopping 20 miles away in North Conway, New Hampshire outlet stores? In addition, the impact of visitor spending on local employment is also difficult to assess; it requires figuring how much the initial expenditure "multiplies" into other local spending, and then estimating the number of jobs that result.

The best way to measure the impact of visitor spending is to use surveys to determine the amount and type of goods that travelers tend to purchase, and then to estimate the portion of output visitors support in key industries. The U.S. Bureau of Economic Analysis (BEA) defines a visitor as anyone who travels outside his or her usual environment—at least 50 to 100 miles away from home—for business or pleasure, as well as anyone who stays overnight in a hotel (and excluding people such as migrant workers and military personnel). They estimate that on average, these travelers purchase about 18 percent of the goods produced at eating and drinking places, 27 percent at sports events, and 100 percent at hotels and lodging places nationwide. In 2002, visitors in the United States spent about $380 billion in direct spending—such as on airlines and restaurants—which generated an additional $330 billion in sales indirectly—such as on fuel for airplanes or food for restaurants. In 1997 (the BEA's most recent estimate), the industry contributed 2.1 percent of GDP and generated 4.5 million jobs, or 2.9 percent of total U.S. employment. Estimates from tourism associations put the figures even higher.

These measures suggest that visitors generate a fair amount of economic activity in the U.S. economy. According to the BEA's 1997 figures, if travel-supported businesses were a separate industry category, the value generated by the industry as a share of GDP would rank below that by a number of major sectors such as durable manufacturing (9.5 percent) and business services (4.8 percent), but above other sectors such as chemicals (2.0 percent) and legal services (1.3 percent). In employment, travel again would rank below workhorse sectors such as health services (7.1 percent) and business services (6.8 percent), but above food stores (2.4 percent) and banks (1.7 percent). The new NAICS "leisure and hospitality" category includes all arts, entertainment, recreation, accommodations, and food services industries—industries supported by many more than just travelers, accounting for a full 9 percent of nonfarm employees nationwide.

local economy



Out-of-towners purchase travel-specific items, such as hotel rooms and souvenirs, as well as ordinary goods, like bus fare and Tylenol.

New England draws about 109 million visitors annually, including roughly 4 million from overseas.

The effect of each visitor dollar is amplified when it

People spend more extravagantly while away than they would at home—for example, 36 percent more on meals out, according to a Vermont restaurant survey.

Getting the most bucks per bang

Who are the best guests? In general, an area will get the most out of visitors that diversify, supporting many different types of businesses while in town. Someone who stops for the night in a Connecticut hotel on the way to New York, for example, will be the most valuable to the local area if he or she also buys dinner, fills the gas tank, and maybe even purchases a pair of shoes or visits a state park to break up the drive. Travelers tend to spend more on lodging than on anything else, but even visitors who stay with relatives can be a boon if they eat out, buy local products, or tour museums while in town. On the whole, those who come from far away and do not know anyone in the area are likely to spend the most—they stay longer and require more services while visiting.

In addition, certain visitor-supported businesses go farther than others in providing local economic benefits. Vermont businesses, for instance, earn the most from winter visitors, many of whom are enjoying pricey ski getaways, even though more people visit Vermont in spring and summer than in winter. Winter visitors spent an average of $280 per trip in the 2000–2001 season, about 38 percent more than visitors spent the rest of the year. Ski resorts and other high-end facilities tend to support a more specialized workforce, which means better pay for the local residents who fill the positions.

Gaming facilities also can reap large benefits for the local economy because they typically contribute tax revenues to the state. However gaming may also result in the need for greater services such as police and trash collection. For example, the Connecticut Foxwoods and Mohegan Sun casinos contributed $370 million to the state in 2002. They also are one of the few amenities a locality can fabricate if it doesn't already have the museums, universities, or scenery that typically attract visitors.

But hosting a major airport hub brings more benefits to the local economy than any other kind of travel business, according to Louis Abramobitz of the Travel Industry Association of America. "Others don't even come close," he says, mainly due to the high wages offered to pilots and other skilled workers that may be based there. But as an origin-and-destination airport, Boston's Logan Airport employs only about a third as many people as one that is a hub for one particular airline. For this reason, Logan's best contribution is probably in the transportation services it provides, rather than as an employer. Since no one airline dominates its business, Logan can keep the market for its terminal space competitive, which means fewer barriers for low-fare airlines, and the ability to stay strong even as individual airlines come and go—which is important for business and leisure travelers who use the airport to get here.

TRAVEL IN NEW ENGLAND

Every year, New England draws about 109 million visitors, including about 4 million from overseas. These visitors come for many different reasons. The region is the site of numerous conventions, conferences, and retreats, and New England firms with professional ties elsewhere draw a steady flow of business travelers for regular meetings and collaboration. Academics come to visit colleagues at the area's many universities, and university students attract visiting family and friends. Others come to catch a glimpse of the fiery colors of New England's renowned autumnal foliage, or to enjoy the region's other natural attractions, such as challenging ski slopes and the Cape Cod National Sea Shore.

is respent locally

All these visitors can have a big impact on local businesses. In fact, travel trends are likely to have a greater impact at the local level than nationally, since much travel spending is simply geographically displaced spending that would normally occur elsewhere in the country. For example, a family may buy dinner at a Cape Cod restaurant, and support jobs in the area, instead of buying dinner at home in Pennsylvania. But if they decided to stay home, the money spent at home would support Pennsylvania jobs instead of Cape jobs. Though the difference may be unimportant for the national economy, there is a big difference to a Cape restaurant owner whose livelihood depends on summer tourist traffic.

But the regional impact is even harder to assess because the available data on visitor spending in smaller geographic areas are limited, even though the magnitudes may vary greatly. Visitors to the White Mountains may spend differently than those to Providence, for example, and both may spend differently than visitors across the nation overall. Determining the multiplier effect for a small geographic area is also a challenge because the smaller the region, the more likely it is that economic activity will "leak" out to other areas, making accurate measurement difficult.

Nonetheless, regional and state tourist bureaus make an effort to get some sense of the impact that visitors have on the local economy. Looking at the region as a whole, New England seems no more or less dependent on travelers than the rest of the country. In 2000, business and leisure travelers spent about $38 billion in New England. This measure of total expenditure (more inclusive than the BEA's measure of value added) is the equivalent of 6.5 percent of the gross regional product, about the same proportion as in the rest of the nation, according to national expenditure estimates by the Tourism Industry Association of America. And the lodging sector—a good measure of visitor activity since it is closely and exclusively linked

Measuring up

Figuring the importance of travelers to a state and comparing the contribution across states is made more difficult by issues with the available spending data.

Visitor spending in a state measures the sales of all goods and services provided by hotels, restaurants, and other local firms to visitors to that state without subtracting out the value of the inputs that the hotels and restaurants purchase from other businesses. For example, it counts total restaurant sales but doesn't take away the cost of food and equipment necessary to produce the meals they serve. Thus, it does not represent the dollar contribution of these firms over and above the cost of the inputs they purchased. By contrast, value added measures of the output, as calculated by the BEA, and measures of overall gross state product (GSP) do net out purchases from intermediate suppliers.

Because visitor spending includes intermediate goods while GSP does not, the ratio of visitor spending to GSP overstates the importance of tourism in the state economy. And comparisons across states should be made cautiously. The ratio provides a rough sense of which states rely more heavily on visitors, but should not be used to compute an exact measure of the difference, or the overall size of the industry in any one state.

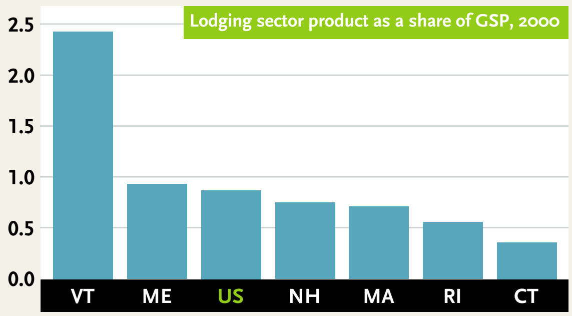
with visitor spending—actually contributes less in New England than it does elsewhere.

But considering New England as a whole hides the much larger impact visitors have in certain parts of the region. Leisure travel, in particular, is a major part of the economy in the northern New England states of Maine, Vermont, and (to a lesser extent) New Hampshire. Agencies from these states estimate that they host about 20 domestic visitors per in-state resident annually, much higher than the national average of about 3.5 visitors per resident. This translates into high visitor spending as a proportion of total state output. (See chart on page 8.) Visitors to Maine and Vermont spend an amount equal to about 15 percent of the gross state product; the proportion in New Hampshire is somewhat lower. Far from urban centers and with few other resources or large-scale industries contributing to the economy, northern New England relies heavily on outsiders for its customer base and economic welfare.

The New England economy is about as dependent on travelers

Stay with us

In Vermont, the lodging sector's contribution to the state economy is the third largest nationwide, behind only Nevada (15 percent) and Hawaii (5.6 percent).



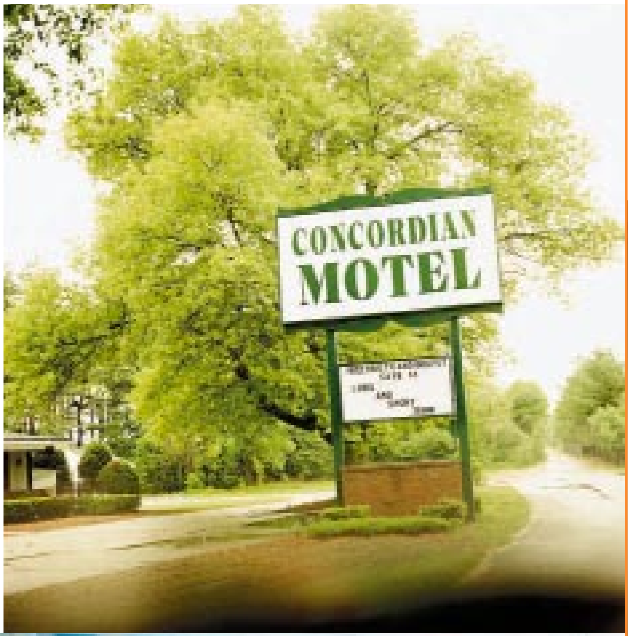
SOURCE: Bureau of Economic Analysis

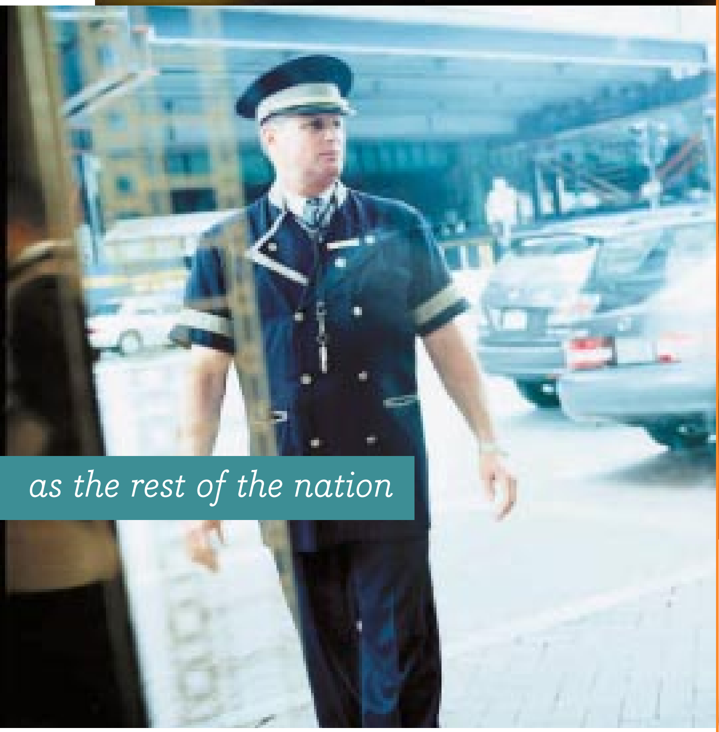
By contrast, visitor spending in Massachusetts and Connecticut is much higher on a dollar basis than in northern New England, yet visitors generate a much smaller share of economic activity in these states since their state economies are larger and more diverse. Visitors to Massachusetts alone spend $14 billion per year in the state (versus only $2.5 billion in Vermont), but relative to GSP this mirrors the national average at about 6 percent. Furthermore, southern New England also attracts fewer visitors relative to its residents. An estimated two to four visitors per in-state resident travel to Massachusetts and Connecticut each year, much less than in northern New England. Nonetheless, even in these states, there are areas where the tourism industry has a major economic impact. Where would the Cape Cod economy be without its summer residents? Or eastern Connecticut without its visitors frequenting Foxwoods and Mohegan Sun? And the larger cities in southern New England such as Boston and Providence also attract many international visitors—who tend to spend relatively more during their stay.

ACTING LOCALLY

Encouraging travelers to visit an area is inherently a local issue. It involves taking advantage of local assets (whether beaches or convention centers) to bring income and jobs to local economies. No wonder promoting tourism is such a popular pastime of government officials, whose success may depend significantly on the resources they bring to their home communities. Indeed, increasing an area's visibility can actually help those officials gain other important resources for the region. For example, federal legislators' personal familiarity with Cape Cod and its legendary traffic jams might help Massachusetts garner the $28 million in federal funding it seeks for the redesign of the Sagamore Bridge rotary at the entrance to the Cape.

But encouraging tourism and business travel is not a magic bullet for local economic development. It is likely that visitor expenditures will account for an increasing amount of economic activity over time as travel becomes cheaper and easier, which makes it attractive as an industry for economic developers to target. But the jobs generated are frequently low-skill, low-wage, and part-time—not ideal tools for long-range job growth. And this spending as a whole is susceptible both to economic downturns—since vacation and business travel is typically one of the first budget items cut when the economy turns sour—and to unexpected drops in business resulting from everything from an unusually rainy spring to the recent outbreaks of SARS. For some areas, economic development efforts may be better targeted in other ways. But capturing more of the nation's travel activity to feed the local economy could certainly be advantageous for New England, especially in the relatively less populated parts of the region where tourism tends to flourish. ❊

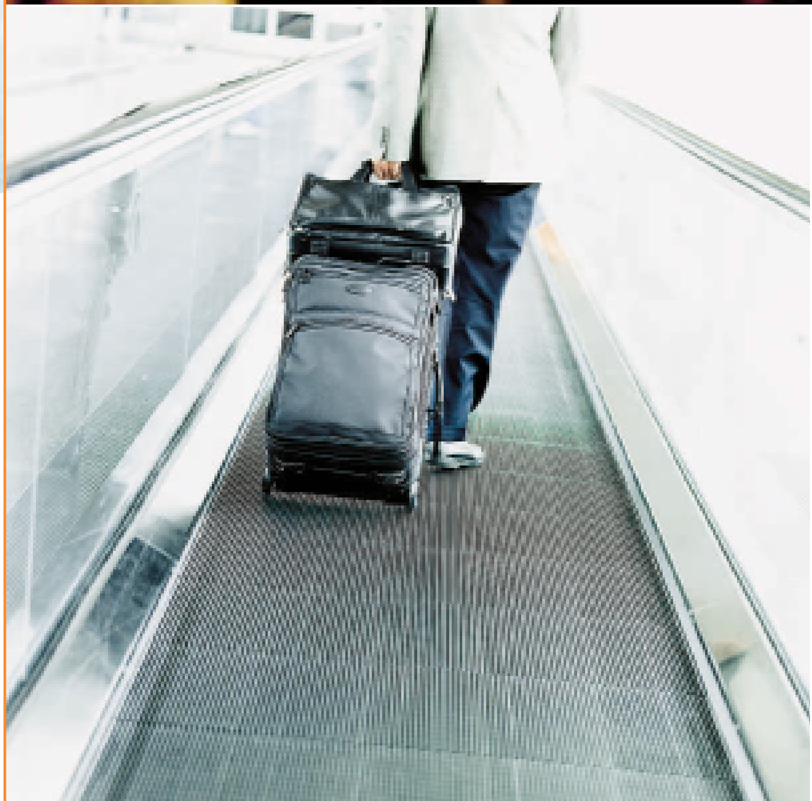




as the rest of the nation

Visitor spending in Massachusetts and Connecticut generates a smaller share of economic activity since their economies are larger and more diverse.

Leisure travel is especially significant to the local economies in northern New England and in Cape Cod.



A requiem *for* classical music?

Although the death of classical music has been predicted for decades, the audience seems to be holding steady. Its bigger problem may be how to loosen up old conventions and enhance the experience for modern music fans.

>> *A man stands surrounded by*

By Julie Lee

Illustrations by John Craig

women. He is tall and handsome with long, flowing hair; the women are worshipful, kneeling at his feet. There is one particularly zealous admirer with large scissors, ready to cut a lock of his hair. If it weren't for the corsets and bustles, this could be a scene of a rock star being hounded by hysterical female fans. Yet, this is a caricature from 1876 depicting Franz Lizst and admirers after one of his concerts.

A lot has changed since then. Today, such an enthusiastic reception is reserved for teen pop idols and movie stars. Even as overall sales of music grew steadily until the late 1990s, the sales of classical music CDs hovered at a scant 3 to 4 percent of the total. Record companies such as BMG Classics are slashing the number of new classical releases or, like CRI (a not-for-profit label which has recorded 42 Pulitzer Prize-winning composers), closing altogether. Classical music stations have disappeared in many cities; one-third of the nation's top 100 radio markets do not have a classical station. After 63 years, ChevronTexaco's radio broadcast from the Metropolitan Opera House will be off the air next year. Many symphony orchestras are cutting back programs and suffering financial difficulties. The Pittsburgh Symphony is selling its concert hall. A sign of the times: the "Death of Classical Music Archive" on ArtsJournal.com contains more than 50 recent articles on the topic.

At the same time, it is easier than ever to buy any classical CD one might desire. A recent search on Amazon.com for Beethoven's Symphony No. 5 yielded a staggering 874 options, including 276 different recordings of a complete performance of all four movements. The choices included every imaginable compilation (from *Beethoven: Greatest Hits* to *Beethoven: Super Hits*) and every possible price point (from $2.98 for a performance by an unnamed orchestra to $101.98 for a boxed set with famed conductor Herbert von Karajan). Previously hard-to-find works are also more readily available. As a piano student 20 years ago, I had trouble locating Debussy's "Children's Corner" (a suite of miniatures for piano) performed by Walter Gieseking—but Amazon instantly offered up two choices.

Moreover, attendance at classical concerts appears to be rising slightly. According to a 1997 survey commissioned by the National Endowment for the Arts, more than 15 percent of respondents attended a classical music event the previous year, a 3 percentage point increase from five years earlier. And while classical's share of CDs is not large, it appears to have held steady over the past 20 years.

So, is classical music dying? Or are the reports of its demise simply exaggerated?

Franz Lizst (1811-1886), the first modern virtuoso and international superstar, was known for both his brilliant playing and his scandalous love affairs.

A STAR IS BORN: A SHORT HISTORY OF THE CLASSICAL MUSIC BUSINESS

Everybody knows classical music when they hear it. It's old. It's serious. It's stuffy. Yet, classical music is an imprecise term, generally referring to Western music from medieval times to the present day. Most of what is commonly called classical music is indeed old, dating back to the sixth century when church chants were first written down and codified. However, much new classical music is being written right now, and much more is still to be written. During the 2002-2003 season alone, 207 works were premiered worldwide.

It is often assumed that all classical music is serious and is written with artistic merit as its purpose. But that is not the case. Classical music can be complex, deep, and intellectually meaty (like Beethoven or Brahms symphonies), but it also can be light, irreverent, and frivolous (like Strauss waltzes). And while knowledge and familiarity can enhance one's enjoyment of classical music, they are not required, much in the way one needn't be an Elizabethan scholar to enjoy Shakespeare or a film-studies major to enjoy movies. Many people enjoy classical music with little or no formal training.

Whatever its pretensions, artistic or otherwise, until the 19th century the classical music business was relatively prosaic. The composer was a staff function within the machinery of social organizations like the royal court, which employed musicians to sing and play for worship in the cathedral and for entertainment at the palace. Many prominent composers, including Monteverdi, Haydn, and Mozart, held such positions. These hired composers/conductors/music directors generally worked at the whim of their employers, who were not always interested in music. Haydn is said to have composed the "Surprise" symphony to wake dozing patrons after a big meal and the "Farewell" symphony to send his employer a message that it was time to cut short a stay in the country because the musicians were homesick.

The rise *of the bo*

Consequently, many famous works in classical music were composed because they were in the job description. For example, J.S. Bach (1685-1750) wrote his cycle of cantatas so that his choir would have a piece to perform each Sunday. And he dedicated the Brandenburg Concertos to a potential employer, as a job application of sorts. By all accounts, Bach was a methodical and industrious employee, "in the business of holding jobs." He did not set out to create masterpieces of artistic importance; those turned out to be fortunate by-products.

The rise of the bourgeois class by the eighteenth century set the stage for change, including the appearance of freelance composers, star performers, and the modern market for music. As music moved out of the salons of aristocracy to the concert halls of the middle class, it became a public commercial activity in which the professional musicians performed for the paying audience. By the nineteenth century, many of the principles gov-

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urgeois class set the stage for a new market for classical music

erning the classical music business today were already in place. The new system of an organized market for mass consumption of music required two key elements: star performers to attract an audience, and the supporting business apparatus to deliver the star and the music to the public efficiently. There were tickets to sell, seats to fill, and stars to manufacture and market.

Which bring us back to Franz Lizst (1811-1886), a Hungarian-born composer-pianist and, along with Nicolò Paganini, the first modern virtuoso and international superstar. First and foremost, there was his brilliant technique. In the words of Felix Mendelssohn, "Lizst has a certain suppleness and versatility in his fingers, as well as a thoroughly musical feeling, which may nowhere find its equal." But Lizst was also a showman. He heightened the effect of his technique by performing from memory (a requirement on today's stage) and by refusing to share the stage with other musicians (before him, there were no solo recitals and no instrumentalist gave a concert without others). And not unlike today's rock stars, his extra-musical activities and scandalous love affairs were integral to his mystique. Although critics and detractors considered him cheap and flashy, those very qualities made him a star. He gave his audience what they wanted.

The twentieth century brought additional ways to consume music and new ways to promote star performers. Recordings, radio, television, and eventually the Internet further increased the potential audience for classical music. Tenor Enrico Caruso was the first recording star. His 1904 performance from the opera *I Pagliacci* became the first record to sell one million copies; and several other artists had top ten hits in the years between 1900 and 1920. Superstar conductors like Arturo

Opera singer Enrico Caruso's 1904 performance of "Vesti la Giubba" from *I Pagliacci* was the first recording to sell more than one million copies.

Toscanini, Eugene Ormandy, and Leopold Stokowski were successful enough to become household names. Although accurate sales figures are hard to come by, Ormandy and Toscanini are reported to have sold more than 20 million records each over the course of their careers. And Stokowski shook hands with twentieth-century pop icon, Mickey Mouse, in Disney's 1940 movie, *Fantasia*.

WHERE'S THE MONEY? THE CASE OF THE RECORDING INDUSTRY

In spite of the commercial success of its biggest stars, classical music recordings were not traditionally expected to make much of a profit, at least not a quick one. The typical recording sold at a relatively slow rate, two or three thousand on first release, but steadily over a longer period. Walter Legge, arguably the best-known record producer in the history of classical music, said that he wanted to make records that would sell for 20 or 30 years—and 40 years later, many still do. But this also meant that many recordings (especially those by large orchestras) wouldn't make a profit until they were reissued as part of a mid-price or budget series.

For the most part, record companies seemed content with the prestige and comparatively small profit margins of their classical recordings or were willing to subsidize them with profits from their pop divisions. They kept their focus on "documenting" star performances. "The major labels all operated on the principle that the best way to make money was to record prominent names in standard repertory. . . [and they] signed exclusive contracts with the biggest artists they could find," wrote music critic Terry Teachout in *Commentary*. Under this regime, Leonard Bernstein, Leontyne Price, Artur Rubinstein, and other big names continued to sell records into the 1960s and 1970s. Bernstein, in particular, brought classical music into millions of homes during the 1960s with his television series introducing classical music to young people.

But cracks were appearing in the traditional business model. The market for classical music and its star performers began to shrink if not in absolute sales, at least relative to the alternatives: Elvis, the Beatles, and Michael Jackson. The explosion of other entertainment options such as television, movies, and later videogames only intensified the competition for the audience's time and pocketbook.

Moreover, this stars-and-standard-repertory approach also resulted in market saturation of the core product, the Bach-Beethoven-Brahms fare constituting the canon. Since a "new" product meant a recording of an old piece by a young performer or a second recording by a veteran, the number of recordings of a relatively small number of pieces eventually proliferated. The result was a catalog consisting of tens of thousands of titles—the majority concentrated in the standard repertory—which was expensive for labels and retailers to maintain and potentially confusing to fans.

The industry also underwent several pe-

Indie Classical

Is it possible to make money in today's classical recordings business without blockbuster crossovers? Absolutely, says Naxos, the world's best-selling budget label, with 15 percent of classical CD sales in the U.K., 25 percent in Canada, and more than 5 percent in the U.S. While the major labels pursued blockbusters, Naxos, founded in 1987, focused on producing the standard repertory cheaply. "My ambition was to make classical recordings available on CD at a price comparable to that of LPs," states Klaus Heymann, founder and chairman.

Think of Naxos as the Southwest Airlines of classical CDs. It delivers classical music without frills and at rock-bottom prices. It hires young or unknown recording artists, many from Eastern Europe, and pays them a flat fee with no added royalties. It keeps one recording of each work in its catalog, limiting the catalog to about 2,500 titles and eliminating duplication of repertoire. It doesn't waste a lot of money on expensive promotions. That way, it can sell its CDs for $6.98, not $16.98. And it sells a lot of CDs. Enough to be profitable in spite of budget prices.

The other successful strategy focuses on niche markets and nonstandard repertory. Hyperion, a British label founded in 1980, and others have taken this approach. "I didn't see the point in doing the 103rd version of the New World Symphony, so I went for the more neglected areas, but not so neglected that nobody would buy them," said Hyperion founder Ted Perry. The label's first hit was an album of Latin hymns by Hildegard von Bingen (1098-1179), which sold over 150,000 copies. Along with Nonesuch, which released Górecki's Third Symphony and the works of other contemporary composers, Hyperion has shown that record companies can be profitable by exploiting a niche market that has been neglected in the catalogs of the major labels.

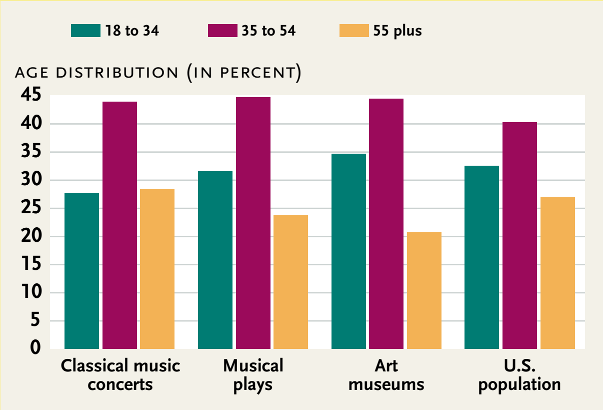
BETTMANN/CORBIS

Who's *listening*

Audience *demographics paint a mixed picture for the future*

The stereotype of the classical music fan is someone old, well educated, and rich. But a 1997 survey commissioned by the National Endowment for the Arts suggests that the demographic picture is a bit more complicated.

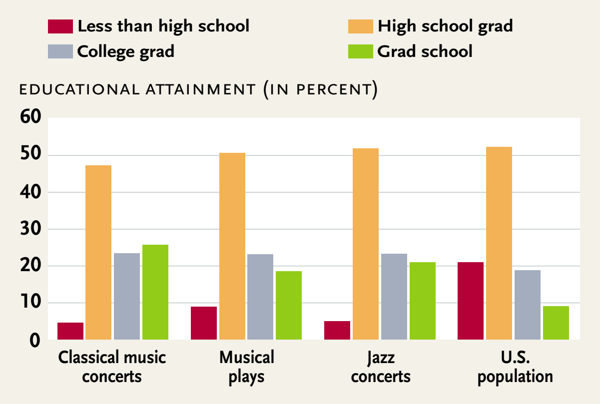
AGE. The audience at classical music concerts does not consist only of people ready for an old-age home. More than one-quarter of attendees are under 34 years of age; another half were between 35 and 64. Moreover, the share of adults who listen to classical recordings—about one-third—was fairly constant across all age groups except for the very oldest (over 75 years) who were slightly less likely to do so.



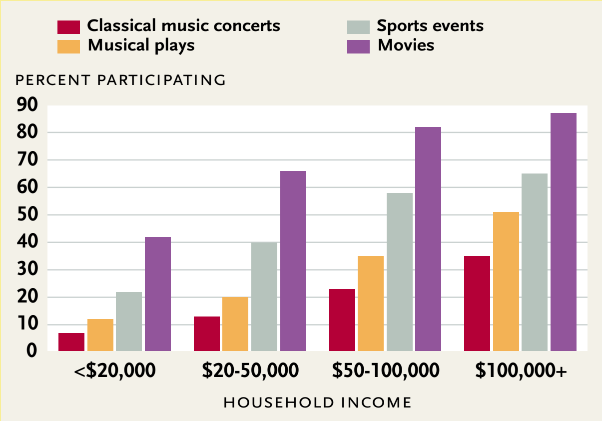
Nonetheless, classical music skews old compared to other leisure-time activities such as attending movies, sporting events, and fooling around on the computer, which are all more likely to be engaged in by younger people.

SOURCE FOR ALL DATA: 1997 Survey of Public Participation in the Arts, National Endowment for the Arts.

EDUCATION. The audience at classical music concerts is highly educated; about one-quarter went to grad school. But this is only somewhat higher than the audience for musicals or jazz concerts.



INCOME. Everyone knows that rich people are more likely to go to classical music concerts than poor people, right? Well, sort of. Only 7 percent of those living in households with incomes less than $20,000 attend classical concerts compared to 35 percent of those living in households earning $100,000 or more. But high-income people are also more likely to attend jazz concerts, musicals, and even movies and sporting events. Since tickets cost money, the more a person earns, the higher the participation rate in all these activities.



riods of consolidation including, a particularly intense round of mergers in the late 1980s and early 1990s. For example, Decca, a British label founded in 1929, merged with Polygram in 1980 (which itself was formed by a merger of Deutsche Grammophon and Philips in 1972) and then was incorporated into Universal Music after its purchase in 1998. Similarly, RCA (Toscanini's label) is now part of Bertelsmann, a German conglomerate, and Columbia Records (Vladimir Horowitz's label) is part of Sony. As a division within a multinational conglomerate, these labels now competed directly with the more lucrative popular music divisions, and faced increasing pressure to maximize profits.

THE THREE TENORS

It was under these circumstances, that classical music experienced its most unprecedented commercial triumph. The phenomenal success of the Three Tenors in the early 1990s changed expectations and set a new standard for the industry. "Gone were the days when it was acceptable for classical music sales to chug along at a few hundred per year. Now they were expected to perform like popular music divisions," observed Ian Lace in *BBC Music Magazine*.

José Carreras, Placido Domingo, and Luciano Pavarotti, the three tenors of world renown, first sang together as a trio for the 1990 World Cup in Rome. What nobody could have imagined was the extraordinary success of this venture. About 800 million people worldwide saw the television broadcasts, and the recording, *The Three Tenors in Concert,* became by far the best-selling classical album of all time, with sales exceeding 10 million. The Three Tenors became both a franchise and a marketing concept. They went on to sing at subsequent World Cups (Los Angeles in 1994, Paris in 1998, and Yokohama in 2002), and spawned imitators like the Three Sopranos and even the Three Chinese Tenors.

The Three Tenors, Placido Domingo, José Carreras, and Luciano Pavarotti, turned into both a franchise and a marketing concept.

In addition to making the singers extremely rich, *The Three Tenors in Concert* had an enormous effect on the business. It demonstrated that a classical CD can sell in the millions. In the way that *Star Wars* changed the movie industry, *The Three Tenors* instigated the industry's relentless search for the next blockbuster that would immediately sell millions. Marketing became more expensive and sophisticated as companies worked to amplify small successes into hits. And some predicted this would help build a new, larger audience for classical music.

Such efforts have been successful to a point, leading to a string of highly popular crossover albums that topped pop charts. A 1992 recording of Henryk Górecki's Third Symphony, a mournful work for soprano and orchestra by the contemporary Polish composer—previously more cult figure than superstar—sold more than 1 million CDs. Even more successful was *Chant,* recorded by Benedictine monks in northern Spain. Originally promoted by EMI Spain as an antidote to stress, the company undertook a U.S. marketing campaign after sales began to rise that included reducing the two-CD recording to one disc, shortening the title from *Las Mejores Obras del Canto Gregoriano* (The Best of Gregorian Chants) to the snappier *Chant*, commissioning an eye-catching new cover, and even shooting a video clip to accompany "Alleluia, beatus vir qui suffert." Sales, in excess of 4 million, probably amount to more copies than all other Gregorian chant CDs combined.

Yet, a business strategy based on crossover blockbusters has turned out to be unreliable. Just as nobody had imagined the extraordinary success of *The Three Tenors*, finding and marketing the next classical mega-hit has been difficult and unpredictable, with little guidance from the three very different hits mentioned above: *The Three Tenors* is a crowd-pleasing medley of songs including the greatest hits of the opera repertory sung by the reigning tenors of the day; *Chant* consists of simple, unaccompanied melodies from the very beginning of Western music; and Górecki's Third Symphony is a somber piece in the minimalist tradition by a modern composer. Notes then senior vice president at Decca (the record label responsible for *The Three Tenors*): "There are occasional miracles...but such blockbusters are rare. . . . They have to be seen as special, almost freak occurrences."

A business *strate*

Moreover, if Amazon's "customers also bought" links are any indication, such one-time hits don't appear to have spilled over into increased sales in the standard repertoire. Customers who purchased *The Three Tenors* have also bought other crossover CDs, like Pavarotti's *Greatest Hits* or *The #1 Opera Album*, but don't appear to have ventured into traditional opera CDs, like Pavarotti's *Turandot* or *La Bohéme*.

While the major recording companies pursued the seductive but elusive lure of mega-hits, a number of companies have been quite successful—commercially and artistically—by taking oth-

REUTERS NEWMEDIA INC./CORBIS

gy based on crossover blockbusters has turned out to be risky

er approaches. The label Naxos, for example, records new versions of the standard repertory without star performers to keep costs reasonable; Hyperion and others specialize in recording and releasing less often heard, more adventurous works. (See sidebar on page 18.) The success of these firms suggests that classical music may still have some life in it yet.

REVERENCE VS. RELEVANCE: THE CASE FOR EXPANDING THE AUDIENCE

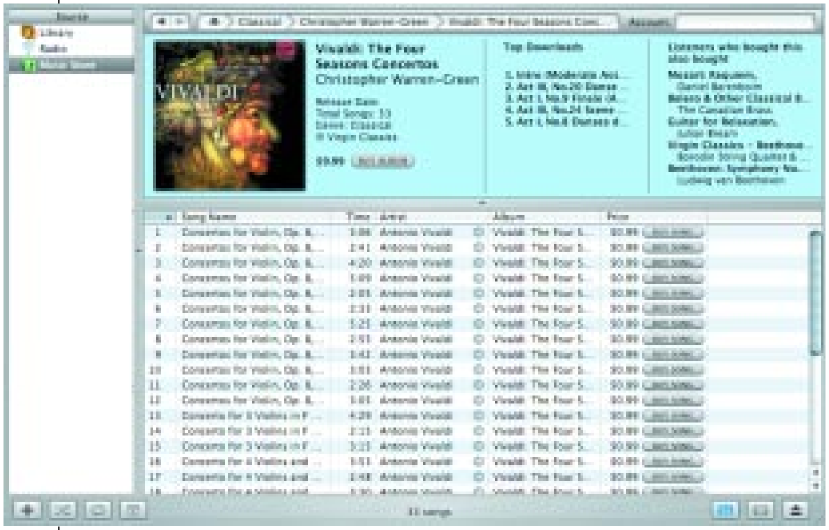
It is worth noting that concerns about the health of classical music have popped up fairly regularly. In 1980, a *New York Times* article announced a "classical crisis" in the recording industry. In 1971, another *New York Times* piece noted a decline in classical radio stations going back to 1967; in 1949, articles in other publications complained of similar circumstances.

Yet, a closer look suggests that the demand for classical music seems to have held fairly steady, at least over the past 20 years. During that time, the share of classical recordings has remained relatively stable at about 3 to 5 percent. (The figure briefly reached an unusually high 7 to 8 percent in the late 1980s as classical music buffs replaced their LPs with CDs.) Moreover, according to the National Endowment for the Arts, 30 million adults (16 percent) had attended a classical music event in the previous 12 months—on par with the rates for jazz concerts and plays but smaller than for watching TV (96 percent) or going to the movies (66 percent). However, in reviewing all the evidence for an article published by the Symphony Orchestra Institute, Professor Douglas Dempster, of the Eastman School of Music concluded, "Classical music is more widely heard and available, performed at a higher level of preparation and artistry, both in the U.S. and, I would wager, around the world, than it has ever been before."

So, what is the source of the evident concern? One reason may be that there are simply so many other options competing for our scarce leisure time and our ever-rising disposable income. A hundred years ago, we didn't have TV. Fifty years ago, there was no Internet. Twenty-five years ago, the $10 billion video game industry was in its infancy. As the entertainment market offers an ever-increasing number of options, classical music's fight for our attention has become more competitive and makes the classical audience look small, even as it holds on to its share. If Lizst had to vie with the *Matrix Reloaded* or video games such as Grand Theft Auto III, would he have captured the public's imagination?

The Internet may offer new ways to distribute recordings and expand the audience for classical music.

Some argue that classical music has more intrinsic value than



other forms of entertainment because of its significance for our musical tradition and its intellectual complexity. But whether this makes it more valuable depend on why one listens to music. We may admire the musical facility in Mozart or be challenged by the expansive musical canvas in Mahler, but be more profoundly moved by "Amazing Grace" on a lone bagpipe.

Still, classical music's prevailing culture and conventions do feel increasingly out of sync with contemporary experience. As most people will tell you, a modern classical music concert is an entirely somber, serious affair for performers and audiences alike. It is predictable and almost lifelessly professional. No classical music stage today would tolerate the onstage shenanigans of Vladimir de Pachmann, a world-famous nineteenth-century pianist who earned millions touring and was known to dip each finger in brandy before a recital. Although the dress code has relaxed somewhat in recent years—much to the horror of the old guard—some rules are strictly observed, such as no applause between movements. These conventions may seem unnecessarily restrictive for those who have known only dress-casual workplaces.

This widening gap between the conventions of classical music and the rest of society tends to reinforce classical music's image as music for the economic elite. And yet this image is not entirely borne out by the facts. According to the National Endowment for the Arts, the classical music concert audience is no richer than audiences for jazz or musical plays. (See sidebar on page 19.) This survey shows that the level of participation in *all* arts rises with income. It is not simply that classical music audiences tend to be richer than other audiences, but that all audiences tend to be richer than average. Moreover, both rich and poor share similar preferences. For example, musical plays are more popular than classical music at each income level, with similar relative participation rates.

Perhaps more worrisome is the cultural elitism of many people in the classical music community. The fact that there are 276 versions of Beethoven's 5th, already tends to foster an atmosphere where someone who can't tell one from the other is made to feel less than welcome. Even those in the business end, "encouraged the attitude that you have to be able to spell Tchaikovsky backwards to be qualified to buy something," noted the President of EMI Classics back in 1990. And some classical music proponents criticize any attempt to reach a wider audience as "dumbing down." They view the enormous popularity of *The Three Tenors* and other crossover albums as a phenomenon that degrades or reduces the status of classical music. In the words of essayist Joseph Epstein: "The bloody snobbish truth is, I prefer not to think myself part of this crowd [his fellow audience at a Pops concert]. I think myself...much better—intellectually superior, musically more sophisticated, even though I haven't any musical training whatsoever and cannot follow a score." This attitude, albeit half-joking, may hurt classical music's ability to reinvent itself and adapt to the modern audience and the modern world.

La Bohé**me's** *succ*

On the contrary, to emotionally connect to today's audiences and capture their imaginations will take vision and innovation. But there are examples out there. One of the most unlikely successes on Broadway last year was a production of Puccini's *La Bohéme*, the 1896 opera about a doomed love between Mimi, a Parisian seamstress, and Rodolfo, a starving poet. While the music is exactly as Puccini wrote it and the characters sing in Italian, Baz Luhrmann, the director of *Strictly Ballroom* and *Moulin Rouge*, reimagined the story set in 1957. More importantly, he ignored the usual opera conventions and hired singers who looked and acted the parts. Although purists criticized the quality of the singing and objected to the use of microphones, Luhrmann's experiment shows that there is an enthusiastic new audience for classical music if classical music is made relevant.

Even in tradition-bound solo recitals, old customs are loosening up. At the end of a recent recital, Maxim Vengerov, a rising twenty-something violinist, picked up a microphone and

ess shows that classical music can excite a modern audience

talked to the audience for 20 minutes. On a stage where the only thing usually uttered by the soloist is the announcement of the encores, his entertaining anecdotes and sincere answers to questions left the audience more connected to both the music and the musician.

REPRISE

Classical music may never be the most popular music. And changes are afoot in the industry—and not only in classical music—as the Internet and other technological advancements roil the landscape and challenge traditional ways of doing business. For example, the initial success of Apple's iTunes Music Store suggests there may be new and viable ways of buying recorded music over the Internet. These developments may change the ways in which we consume and experience classical music. But that does not necessarily signal its demise.

However, both artists and business people need to think hard about who their future audience is going to be and how to make classical music exciting and relevant to that audience. Whether by delivering neglected repertory, or offering fresh interpretations of old favorites to a small but dedicated audience, or by shedding antiquated conventions and trying to expand into new territory, in the end, successful strategies will need to make people care about the music. These experiments may mean the death of the classical music business as we know it, but also may provide an opportunity for rebirth and renewal.❋

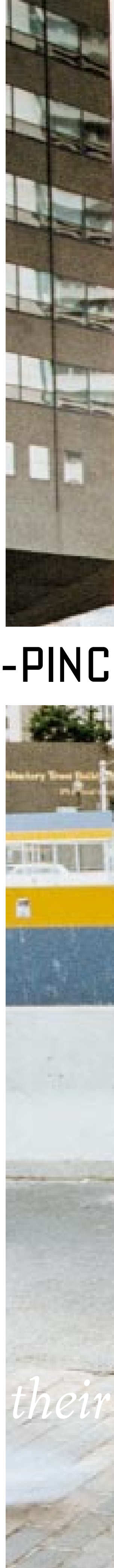
Julie Lee is a health economist. After years of piano lessons, she is more comfortable as a fan of classical music than as a performer.

LIKE FATHER LIKE SON

BY CARRIE CONAWAY PHOTOGRAPHS BY JOHN GOODMAN

HAVE WE CHANGED OUR PENNY-PINC

Four hundred years after their



HING WAYS?

arrival, the Puritans still have a reputation.>>

Ever since they came to New England to establish a society based on Calvinist religious principles, the Puritans have been characterized as hard-working, educated, and perseverant, but also as penny-pinching, moralistic, and prim. Early on, this reputation may well have been deserved, as Puritan society was one of history's most diligent, pious, and rigidly controlled. But the Puritan influence in New England had begun to diminish even before the Revolutionary War as the colonial economy and society adapted to greater trade and interaction with outsiders. And it wasn't much longer before Puritanism existed only in the legacy of the social institutions they had created, rather than in people's hearts and minds.

Yet even today, New Englanders are commonly described as frugal, conservative in their taste, or taciturn—characterizations which could as easily apply to the region's first immigrants. It seems difficult to imagine, though, that such regional differences in social or economic behavior could persist in an era of geographic mobility and mass communication. How strong is the connection between modern New Englanders and their Puritan heritage?

THE PURITAN ETHOS

The first New England settlers, having chosen one of the most difficult parts of the East Coast on which to eke out an existence, were more in danger of starvation than of ostentation. One contemporary observer described colonial New England as a place where "rich men growe pore and poore men if they come over are a burthen." The land was poor and rocky, the growing season short, the winters harsh.

But the hardscrabble lifestyle the land demanded turned out to be fortuitous in reinforcing their religious beliefs. The dedication and toil required for survival in New England meant that hard work was a necessity, and work was the key means by which the Puritans glorified God. Puritan theology held that there were an elect few chosen to receive salvation. But since it was impossible to know in advance who was among the elect, all people were obliged both to behave in a way consistent with their salvation (their spiritual calling) and to work assiduously in their profession and improving their skills and talents through education (their temporal calling). "While no amount of diligent behavior could prove election, the failure to strive was conclusive evidence that one had not yet been offered saving grace," writes historian Stephen Innes in *Creating the Commonwealth*, a survey of the economic history of New England. As a result, the Puritans were under intense social pressure to work ceaselessly, save for "due recreation" and rest. Idleness was considered a dishonor to God, as was waste of material goods. For the Puritans, the more time and materials were put to practical use, the more the community produced and therefore the more was God glorified.

The family was the center of the Puritan social system and the primary means by which its values were transmitted.

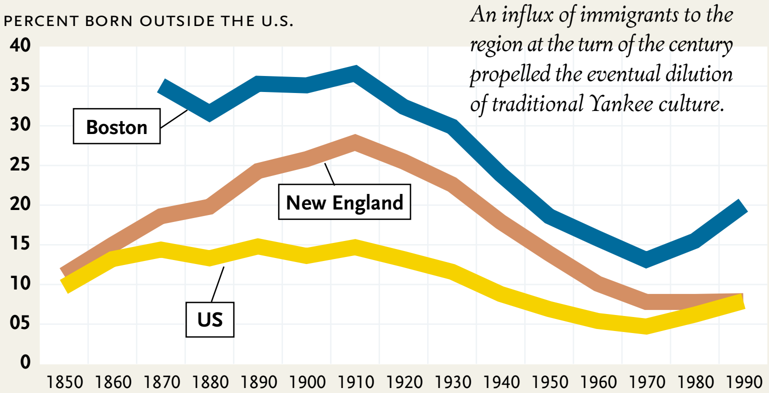
BETTMANN/CORBIS

Puritan social institutions also reinforced their values of work and self-restraint. No longer did they have to try to graft their abstemious beliefs onto a preexisting social structure, as they had in England. In the New World, they were able to create communities in which every institution worked together to glorify God. The family served as the centerpiece of the social system, and families were expected to reflect and model community standards. The schools—a key social institution because of the Puritans' concern with continual improvement in one's calling—reinforced social values in children through a strict religious curriculum and focus on productive labor. Legal sanctions tied up any loose ends. Debtors who had reneged on their payments not only were detained in prisons, but also had to provide for their own food, fuel, and clothing while in jail. More broadly, the 1648 edition of the *Massachusetts Book of General Lawes and Libertyes* stated that "no person, Householder or other, shall spend his time idlely or unprofitably under pain of such punishment as the Court of Assistants or County Court shall think meet to inflict." According to Innes, "Nowhere else in the early modern world...was the rhetoric of the calling so all-pervasive in public and ecclesiastical discourse."

THE PURI

Indeed, the early New England settlers stood out from their colonial compatriots as particularly hard-working and self-restrained. Because the Puritans shared a cultural heritage with the settlers of the other colonies, who were also primarily British Protestants from the lower and middle classes, one might have expected that the colonies would not have varied much culturally. But in fact, colonial culture was hardly uniform, since different colonies attracted settlers with different reasons for uprooting themselves from the Old World. Some colonies drew frontiersmen looking for short-run gain, whereas New England tended to attract people looking for a pious, civic-minded community. These differences were not lost on their contemporaries. John Winthrop, the first governor of Massachusetts, often noted what he felt were Virginia's mistakes in recruiting residents, saying that Virginia's settlers were "unfitt instruments, a multitude of rude and misgoverned persons, the very scumme of the Land." Meanwhile, the weight the Puritans placed on the calling turned them into not only the most productive of the American colonists, but also one of the most industrious societies in history. They worked an average of 4 hours for every 1 hour of rest, double the 2 to 1 ratio common to societies from ancient Rome to pre-revolutionary China to modern America. Even those New England residents who were not descendants of Puritans shared their ethic of hard work and material moderation, simply because survival in New England required it of them.

Moving in



An influx of immigrants to the region at the turn of the century propelled the eventual dilution of traditional Yankee culture.

SOURCE: U.S. Census Bureau

Population growth patterns exacerbated the cultural bifurcation between the colonies. In the Chesapeake colonies like Virginia and Maryland, families would bear three or four children on average, and half would die before reaching adulthood. The population in these colonies did grow, but only because the number of immigrants exceeded the number of deaths. By contrast, in early New England, most population growth was locally generated. Families typically produced between six and eight children and only lost an average of one before adulthood. At the same time, immigration into the region was relatively low. These patterns meant that New England's population was predominantly home-grown. The region's culture could therefore focus inwardly, cultivating deep and long-lasting roots.

TAN DILEMMA: WORK HARD, DO WELL, BUT DON'T SHOW IT

THE PURITAN CONTRADICTION

Even as the Puritans were building up a distinctive New England culture, its foundation was already beginning to decay. Perhaps this was inevitable given the dualistic nature of their faith. The Puritans were expected to work industriously in their calling, but they were also expected to eschew the material success that came along with this. This did not mean that they lived like paupers. Instead, they strove for a "middling" standard of living, not so austere as to inflict severe discomfort on families, but not so profligate as to incur the moral evils of wealth and other earthly pleasures. But this made the conflict between work and prosperity all the more difficult to manage. Some prosperity was acceptable, but too much was disapproved of.

This struggle moved to the foreground as New England developed into the economic powerhouse of the American colonies. Though the region did not offer as much as some other colonies in terms of cash commodities or natural resources, New Englanders found ways to grow economically both by producing the goods they needed and by exploiting the region's comparative advantages through trade. The first colonial ironworks was established in Saugus, Massachusetts, in 1646; its products were made into everything from pots to nails to bar iron for resale. New England colonists also produced their own textiles, clapboards, and shingles, as well as artisinal products such as cheese and thread. The more enterprising New Englanders found success in the transatlantic trade, providing fish, flour, and other provisions to the sugar plantations in the Caribbean, tobacco and rum to fishermen, and lumber and ships for domestic and international use. (Over 1,100 ships were built in Massachusetts between 1696 and 1713 alone.)

The businesses that these New England entrepreneurs developed turned out to be excellent generators of long-run economic growth. Industries such as trade, shipbuilding, and rum manufacturing were dependent on a number of different commodities as inputs, which meant they created complex connections between suppliers and consumers. They also diversified the New England economy relative to those of the other colonies, which were much more heavily dependent on cash crops like tobacco. As a result, Boston became the center of colonial trade activity throughout the 1600s. And even as Boston's primacy in trade declined during the eighteenth century, its competitors were homegrown; 9 of the 15 most rapidly growing cities in the late 1700s were in New England.

In the end, the Puritans' social strictures could not prevail against the powerful forces of economic and population growth that their work ethic had unleashed. As Max Weber famously argued in *The Protestant Ethic and the Spirit of Capitalism*, the religious underpinnings of the Puritans' singularly driven behavior inevitably had to give way. "The bourgeois business man," Weber points out, "as long as he remained within the bounds of formal correctness, as long as his moral conduct was spotless and the use to which he put his wealth was not objectionable, could follow his pecuniary interests as he would and feel that he was fulfilling a duty in doing so." But being a capitalist was a lot easier than being a Puritan. Once the opportunity arose to have the same economic success without living under Puritan social strictures, the Puritan social order had little chance for survival.

FROM PURITANS TO YANKEES

But long after the Puritans had lost their tight grip on New England society and culture, New Englanders—by then known as Yankees—were still perceived of as industrious, frugal, and individualistic. One reason was that some of the best-known New Englanders of the era exhibited and promoted these qualities. Lydia Marie Child of Medford, Massachusetts, proclaimed in her popular 1832 book, *The American Frugal Housewife*, that "the prevailing evil of the present day is extravagance" and provided extensive advice for living within one's means. Henry David Thoreau, also a Massachusetts native, took to the Concord woods in the 1850s because of his belief that "most of the luxuries, and many of the so-called comforts of life, are not only not indispensable, but positive hindrances to the elevation of mankind." And Ralph Waldo Emerson extolled the Yankee virtue of self-reliance, saying, "The reward of a thing well done is to have done it."

But just as importantly, the Yankee reputation persisted because of the region's social and economic structure. After struggling through the post-Revolutionary War recession, the New England economy started to surge. By 1840, per capita income in New England was 25 percent above the national average, mainly due to the region's lead in industrialization. As the nineteenth century progressed, jobs continued to grow in the region's manufacturing industries, particularly in textiles, wood products, and boot and shoe making. At the same time, the country as a whole was experiencing a lull in immigration from the Old World, and New England received an especially small share of the newcomers. The resulting wealth and homogeneity in the region relieved any pressure on New Englanders to alter their still-Puritanical ways.

But New England stood at the edge of a profound change. The region's greater level of industrialization had raised its wages above much of the rest of the country. Coupled with the region's relatively accessible coastal location, this made New England an attractive destination for new arrivals during the immigration boom of the late nineteenth and early twentieth centuries. By 1920, nearly one-quarter of the region's population was foreign-born, and 62 percent were either foreign-born or a child of an immigrant—double the U.S. averages. The presence of these newcomers could not help but push the cultural boundaries of the region, making New England increasingly similar demographically to the rest of the country.

Yet outsiders still observed a Puritan-influenced flavor to the region even into the 1940s. In his book *Inside U.S.A.*, written just after World War II, author John Gunther describes the "dominating items" of the Yankee character as "frugality, individualism, hardiness, (and) eccentricity." Gunther's Yankees may not have been exact replicas of the original Puritans, but it's not hard to trace their Puritan roots. These post-war Yankees were still working hard, saving their pennies, persevering in the face of adversity, and developing themselves as individuals in much the same way as their forebears. But Gunther also observed a number of forces of cultural change in the offing: the migration of Yankees to other regions of the country, the influence of still-high immigration rates, the differences in beliefs and behavior between the older and younger generations. A unique Yankee character might still be present, but its continued existence was increasingly uncertain.

THE DISTINCTIVE YANKEE ECONOMIC CULTURE HAS WEAKENED

THE PURITAN LEGACY

It is true that Southerners have their grits and zydeco, Yankees their pot roast and contra dancing. But we all watch the same television shows, read the same best-sellers, and get the news off the same wire services and Internet sites. And nearly half of us live outside the state we were born in, far higher than the rate even a generation ago. How likely is it that a distinctive regional culture could persist in modern America? It's particularly hard to envision the persistence of Yankee culture, since its characteristics are predominantly economic. Working hard, saving money, avoiding debt, and spending conservatively are the hallmarks of the Yankee way, and these kinds of traditions seem much more easily influenced by broader social changes than traditions in food or music.

Indeed, these days it is often hard to see any difference on these measures between New England and the rest of the nation. For instance, according to the 2001 Survey of Consumer Finances (SCF), New Englanders are no more likely than other Americans to say they shop for the best terms for either bor-

BUT STILL PERSISTS

rowing or savings or to think that it's a bad idea to buy on installment. We're equally as likely to own homes and cars as anyone else, and we have roughly the same average balances in savings bonds, directly held stock, and mutual funds.

Where differences do exist, it's difficult to say whether the differences are due to the legacy of Puritanism or to other factors. For instance, the median household income in New England is $52,000 per year, much higher than the median of $39,600 for the rest of the country. This might be due to a modern-day Puritan work ethic, but it might also be due to a concentration of highly educated workers, many of whom were born and raised out of state and thus presumably are not induced to hard work by the region's Puritan heritage. Likewise, we maintain lower ratios of debt payments to incomes than the rest of the nation, but this could be caused by high incomes as easily as by low debt. Indeed, the high cost of housing in the region means that we hold an average of about $30,000 more in home-secured debt (mortgages and home equity loans) per household, something our forebears no doubt would have disapproved of.

The demographics of the region also explain some differences. Though we hold significantly higher financial asset balances—a median of $39,800 per New England household with any assets, versus $27,300 in other regions—most of the discrepancy derives from greater retirement savings. But it makes sense that we would have squirreled away more for retirement, since as a region, we are relatively old. Indeed, the median age for every New England state exceeds the nation's. And our higher educational levels might be just as good an explanation for New Englanders' higher labor force participation rates (about 2 percentage points above the national average) as our purported greater industriousness.

Yet our Puritan heritage still occasionally exerts an influence. For instance, five of the six states with the lowest bankruptcy rates are in New England (see chart below). On the one hand, this is partially attributable to the region's higher incomes and lower debt-to-income rates, both of which reduce the likelihood that we will have financial problems in the first place. But on the other hand, when the first bankruptcy statutes were written at the turn of the nineteenth century, the Puritan influence on New England was much stronger than it is today. New Englanders' sense of a moral obligation to repay debt, linked directly to their Puritan heritage, may well have influenced legislators to pass stricter rules on the amount of real estate and other property bankrupt households can exempt from seizure. As a result, today New Englanders have less incentive to solve their financial problems through bankruptcy. Somehow one suspects that the original Puritans would be pleased with this result, even if it derives from legal and social institutions rather than moral imperative.

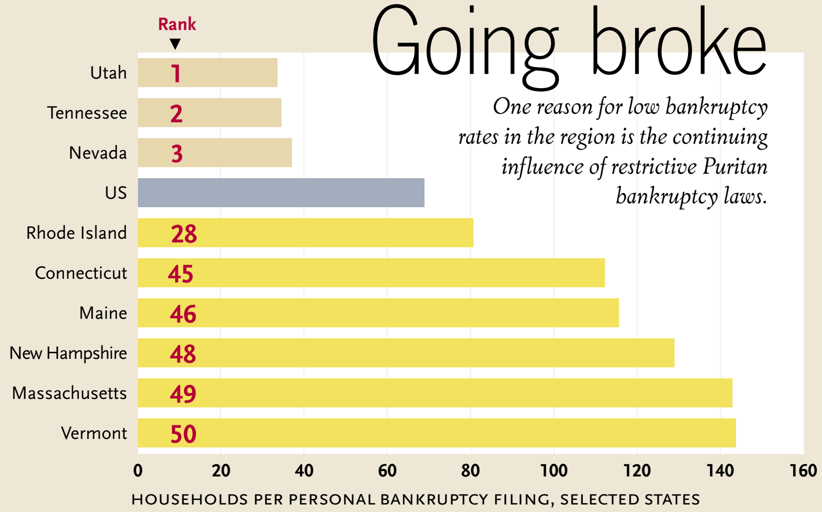
Another area where the Puritan influence is still evident is consumption. Since New Englanders save at about the same rate as the rest of the nation, we obviously don't spend less money overall than anyone else. But we tend to make more practical, less conspicuous or showy choices in what we buy. We are twice as likely to own savings bonds (though the value we hold in bonds equals the national average). We spend less of our personal income on retail goods, particularly motor vehicles and general merchandise, and more on housing. We are 11 percent less likely to own or lease a luxury car and 16 percent less likely to own three or more cars. And when we do purchase luxuries, we choose understated products: Coach, not Prada; Cadillac, not Jaguar; Rolex, not Cartier. A far cry from the felt hats, square buckles, and dark vestments of the Puritans, to be sure, but still relatively conservative by modern American standards.

Some vestiges of Yankee culture, moreover, may persist yet be slippery to observe. New England may well be home to more reused broken shoelaces, extra buttons, and hoarded twist ties than any other part of America, but no survey would ever tell us so. And visitors to the region may perceive archetypal Yankee characters around them—the laconic Maine lobsterman, the eccentric Vermont craftsperson, the blue-blooded Boston Brahmin. But those observations may lie mainly in what visitors expect to see. Determining whether these stereotypes have any basis in reality is a more difficult challenge.

Perhaps the most important legacy of our Puritan heritage is the influence our culture has had on the rest of the nation. America may be a spendthrift country in comparison to Europe or Asia. But it might well be worse if it were not for the voice of the Puritans through the generations, subtly encouraging us to work longer and harder than our peers and reminding us to "waste not, want not." New Englanders may be becoming more like America, but at some fundamental level, America is also like us. ❊

Going broke

One reason for low bankruptcy rates in the region is the continuing influence of restrictive Puritan bankruptcy laws.



SOURCE: American Bankruptcy Institute

letter from portland, maine

A restaurant in Portland links African refugees with their past and Maine with its future

By Terry Farish

"Yes, food is so important." Florence Olebe begins many ideas with a low, melodious "yes." Her soft-spoken refrain offers the invitation, "Come with me, I will bring you into my culture," a responsibility she feels to the natives in Portland, Maine, where she runs the Ezo African Restaurant.

Today is one of those New England days that rises to 81 degrees to deceive you, and now flattens you with wind as the temperature drops. Florence dresses like she has known warmth. She wears a cotton, African print skirt and blouse with white embroidered detail and dark leather sandals the color of her feet. Florence and her seven sons found sanctuary in Portland after her husband

CULTURAL CHANGE

Although Maine is 97 percent white, it is also home to over 10,000 political refugees, including Ezo African Restaurant owner Florence Olebe.

FOOD FOR THOUGHT

Florence's traditional kisra, moto-moto, and lentil stews keep the refugees connected to their African heritage while they adapt to a new life in America.

was killed in Sudan's long-standing civil war. Two and a half million of her countrymen have died.

Florence has three pots on the old, stainless Southbend gas stove in the tiny kitchen with only a glass-doored refrigerator, a single, freestanding dishwasher, and a half-sized sink filled with fresh collard greens soaking. Ezo, named for the home village of Florence's late husband, is the only African restaurant in Portland. Native Mainers, tourists, and immigrants find their way to Ezo on the small single block of Oak Street in what's become the city's arts district. With its tiger-skin tablecloths and batik art and photographs of women cooking kisra, the traditional flat bread, on an open fire, Ezo is in a tiny storefront. It's tucked away and might not be noticed among the ordinary mix of city life. But Saturday night is Ezo's biggest night, when its tables are filled with people hungry for a taste of Africa.

To Florence and other Africans, Ezo is more than a business—it is their community.

"Go to Ezo," a Sudanese boy will tell you when he can find no English words to describe the cooking that went on in his kitchen in southern Sudan before his government's soldiers shelled his house. "Go to Ezo. Then you will see." The restaurant caters gallery openings of exhibits of African art and the University of Southern Maine's annual dinner to support the Portland English as a Second Language Scholarship Fund. It's a place to have a party and, for a lot of youth, to work.

And here, sometimes the Africans can meet and talk.

He married a new wife?
He is Nuer and he promised to take only one wife but then he took a second wife.
How could he do that? He betrayed her.
[Shaking of the head.]

The car ran her brother down in Juba.
Is he dead?
We will know tomorrow. The soldiers do this all the time to the southern Sudanese.

Her husband, he is taking all her money. She has only $7 in her account.
She should get her own account and he cannot touch it...

In English, Acholi, Bari, Zande, sometimes Swahili, or the colloquial Juba Arabic spoken in southern Sudan.

Welcome to Ezo African Restaurant, a new truth of Portland, Maine.

Even ten years ago, a Mainer's story would have been the story of a lobsterman Down East, a New Yorker come to hammer penny nails for a homestead in Washington County, a potato picker in Aroostook County, or around Portland, a start-up entrepreneur or an artist. But today, a Mainer's story might have begun in Somalia, Sudan, Morocco, Rwanda, Ethiopia, Congo, Eritrea, Togo, Colombia, Greece, Russia, Peru, Honduras, Cambodia, Bosnia, Iran, Iraq, or Kazakhstan.

It started in 1980, when Portland was designated a U.S. refugee resettlement site. Each year since, Portland has served as the first U.S. home for about 250 refugees, among them Florence and her children in 1998. In the late 1990s, the refugee population began to balloon as up to 1,500 refugees each year packed up from their cities of first resettlement and came to Portland, with its promise of housing and low crime. When Portland ran out of room, members of the Somali community moved on to nearby Lewiston—as many as five to ten families per week. Statistically the whitest state in the nation, Maine has now become home to over 10,000 political refugees and immigrants.

Maine needs the refugees as much as the refugees need Maine

And they keep coming. Portland and Lewiston are bending under the weight of the additional services they must provide. But they cannot break, for Maine needs the refugees as much as the refugees need Maine. "We need more people," said James Tierney, former Attorney General of Maine, at a University of Maine lecture. "We must see immigrants as an opportunity. California, Texas, New York, Florida, Arizona, Washington, the states that are our country's engines of economic growth, are culturally diverse."

In the late afternoon, clouds whip over the sun that would have been enormous in Africa. The doors at Ezo open at 5 o'clock. Moto-moto, a marinated chicken, sizzles in the oven. The smell of cooking herbs fills the room. Florence has things on her mind. She is thinking about the African Resource Center she and her best friend Margaret Lado are organizing, a center to support their people, to refer others who want to know about Africans in Maine. She lights the flames under the three pots, adds chicken to one, beef to another, chops tomatoes, onions, then adds lentils, shakes spices into the third. No need to measure. Then there's the group of old Sudanese women at the apartment complex. They are on her mind, too. The women are sewing clothes traditional to each of the tribes in Portland. They will sell the dresses and other handiwork, in a step to create an African women's clothing business. The women will need her support. At home, tribal differences are not so important among the educated like Florence. But here, it is important to keep tradition, to cook the traditional foods, to share the traditional clothes and dances with the people of Maine.

Florence brings a plate, and on the plate is kisra, circles of crepe-like bread, hidden under a wrap to keep them moist. The phone rings and she speaks, now in Acholi. She says afterward, "My sons, they don't speak my own language. They understand, but they can't use enough to speak in my dialect. I speak to them in Juba Arabic." Many Sudanese parents are heartbroken that their children don't know their tribe's dialect, but with the imposition of Islamic law on the south, people have been forced to study and speak in Arabic. Here is a loss of tradition Florence cannot alter.

On Ezo's wall is a drawing from children who have visited. "Dear Florence Olebe, thank you for your wonderful food," they write above their splash of a colorful feast. "From the kids at the Oak Street Studios, a Young People's Art Institute." Also on the wall she has hung starched batik pictures. One depicts a row of traditional women with jugs of water on their heads. Florence straddles these worlds—representing Africa to Maine and honoring an authentic Africa for her people.

Now it's nearly 5 o'clock and Florence prepares to open the doors to Ezo African Restaurant. It's clear she takes satisfaction in this restaurant—this tiny place with five booths and three tables where Mainers come to learn how to eat stews scooped up into kisra and where tall Sudanese boys come for a taste of home. ❊

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PHOTOGRAPH BY KATHLEEN DOOHER

How much do visitors contribute to the local economy in New England? Page 6

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