



## ***Growing Community Wealth - March 2009***

### **Welcome to Our New Service**

This is our third edition of ***Growing Community Wealth***. The response has been wonderful and our email list has grown dramatically through additional requests. We will do our best to provide you with useful information each month. Thanks for your interest and please let us know how this information is helpful to you.

*Don Macke*

### **Community Wealth Perspectives – Learning from the 1973-1975 Recession**

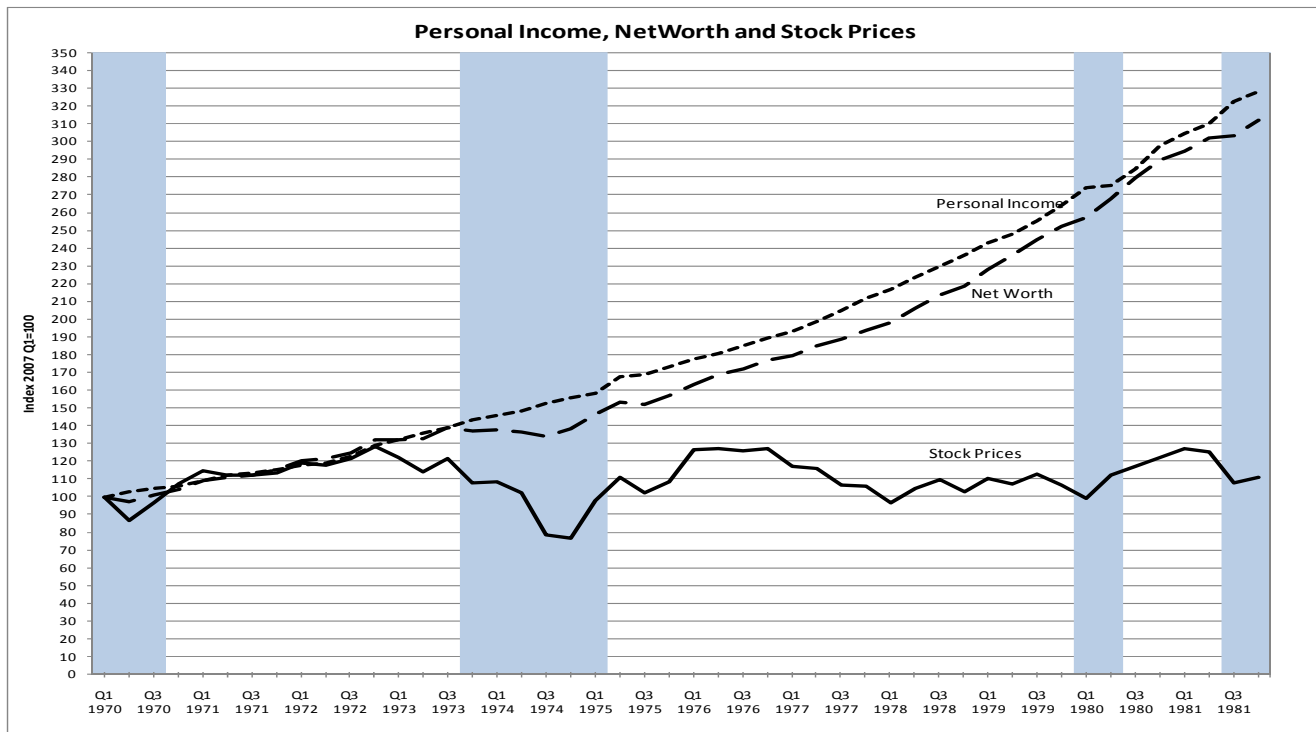
Everyone is wondering how the Great Recession of 2007-2009 will play out. Ahmet Binerer, our TOW researcher, has reviewed past severe recessions to gain some perspective on how our current story might turn out. The following chart (on p. 2) shows three key indicators and how they performed over the years associated with the major 1973-1975 recession. During this period, stock prices fell by nearly 40%, household net worth eroded and, adjusting for inflation, personal income stagnated. But by the last half of 1974, personal income was strengthening and net worth rebounded. Following the recession, both personal income and net worth grew at healthy rates up until the recession of the early 1980s. Nearly every recession and recovery has a similar story – only time will tell what the final story line will be for our Great Recession.

### **Community Wealth Project Update**

**Western Kentucky TOW Results.** The final scenarios are in for the Transfer of Wealth Study for Western Kentucky. Over the next 50 years, the projected TOW for the 18 counties of Western Kentucky is nearly \$47 billion. If just 5% of this TOW could be captured into endowments throughout the communities of this region, an overall endowment of \$2.35 billion could be created. A collective endowment of this size could provide over \$100 million annually for investments that strengthen communities over time. This is a remarkable opportunity that leaders in Western Kentucky are now exploring.

**Maine TOW Study Underway.** We are pleased to announce that a commitment has been secured to prepare TOW analysis for Maine and its counties. This is part of an initiative of Maine Rural Partners. We have had the opportunity to work with Maine on a number of projects and we believe this research can be foundational to development work in Maine. More to follow as this work gets underway.

## Growing Community Wealth



### TOW Workshops

Don Macke with the RUPRI Center has completed a series of spring workshops on TOW and Community Development Philanthropy in Illinois, Oregon and Kansas. If you would like to review workshop materials, let us know.

*The RUPRI Center team has learned much about community wealth and the spirit of giving back through projects across the country. If you would like to learn more about this work or if we can help you with wealth and community development related research or analysis, please contact Don Macke at [don@e2mail.org](mailto:don@e2mail.org).*

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