

# DEVELOPMENTS *New England*

New England Developments

Policy Issues Shaping the Regional Economy

January 2002

## New England's Economic Outlook

by Alan Clayton-Matthews

**N**ew England's current recession began in the second quarter of 2001, based on real gross state product estimates of the New England Economic Project (NEEP). This downturn is a result of a rapid decline in business investment, especially for communications equipment, computers, and other technology products, electronic components and equipment like semiconductors and associated equipment.

Related to this business investment downturn was the bursting of the stock market bubble in Spring 2000 along with the dot-com implosion. The high growth of the late 1990s abruptly ended as consumer confidence fell, unemployment rose, consumer spending slowed, and state tax revenue growth switched from positive to negative.

The terrorist attacks only accelerated a decline that was well underway. Only days after attacks, NEEP developed five-year forecasts for the United States and the six-state region in an atmosphere of unprecedented uncertainty. This required making difficult assumptions about how the war would proceed and about what further disruptions may occur. As these events are beyond the ability of economists to predict, any forecasts are subject to enormous risks of error. Indeed, at the time our forecast was released in October, it was easy to imagine how events could unfold to be significantly worse or better than those we assumed. Among our critical assump-

tions were that the "war on terrorism" would be quick and successful, and that there would be no further terrorist attacks on home soil.

As of this writing, events appear to be unfolding more or less in line with our hopeful assumptions. Therefore, outside of the transportation, travel and tourism, insurance, and the higher costs of business and living associated with increased security measures, the economic disruptions in New England have been temporary.

What remains is substantial uncertainty about consumer spending, which accounts for roughly two-thirds of aggregate spending in the economy. The question is whether or not unemployment and the associated losses in households' income will be substantial enough to result in a decrease in consumer spending. If nascent signs of a bottom in manufacturing turn out to be true, and the rate of layoffs abate substantially, then the economy will rebound in early 2002. If, however, unemployment has reached a critically high level, it will lead to a fall in consumer spending that will have multiplier effects, sending the nation and region into a deeper and more prolonged recession. We may know which path the economy will take after the holiday shopping season.

### Short-Lived Recession?

In the meanwhile, the NEEP forecast for next year and the years following provides a reasonable balance of these

*continued on page 2*

## New England States Assess Budget Positions

by Michael B. Levin

**L**ike the rest of the nation, New England governors and legislative leaders have seen a deteriorating state revenue picture for several months, one made more problematic by the events of September 11. Talks with budget officials in all six New England states produced the following update on the region's budget situation.



### Rhode Island: The

November revenue estimating conference reduced budgeted revenues for 2002 by \$35 million. Reductions in personal income taxes (\$58 million) and corporation taxes (\$14 million) were offset somewhat by an \$23 million increase in anticipated lottery revenues. The administration's quarterly spending report projects a \$33 million deficiency, due to higher spending for human services programs, including Medicaid, and the need for an additional \$12 million to reimburse towns for lost revenue from the phase out of local motor vehicle taxes. The revenue shortfall and additional spending, combined, produce a projected budget deficit of about \$70 million (on a General Fund base of \$2.6 billion). The governor has instituted a hiring freeze and deferred some major capital projects but no major actions will be taken until he submits a revised budget to the legislature in January. The Senate has already been holding hearings so they will be ready to act right away.

*continued on page 6*

### CONTENTS

#### Features

<i>Economic Outlook</i> .....	page 1
<i>Budget Outlook</i> .....	page 1
<i>International Marketplace</i> .....	page 4
<i>New Economic Environment</i> .....	page 7

#### Departments

<i>Guest Column</i> .....	page 3
<i>Power Points</i> .....	page 5



**Northeast  
Utilities System**

*New England Economic Outlook, cont'd. from page 1*

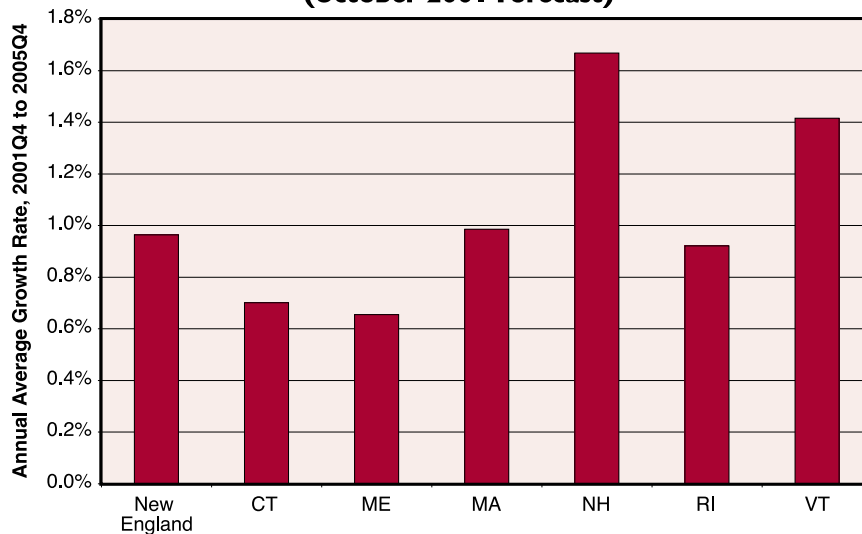
risks. We expect the recession to be significant but short, and similar to the “V-shaped” recession scenario for the United States that Economy.com developed for NEEP.

In terms of real economic output—gross state product—New England should start to recover in the second quarter of 2002. Momentum will pick up in the third quarter as businesses begin to restock inventories, and in response to the stimulative effects of monetary and fiscal policies. Region-wide employment growth will lag that of output, with net job losses continuing through the second quarter. The unemployment rate is expected to peak at or slightly below 5.5 percent in the third quarter of 2002, with weak employment gains beginning in that quarter. Employment growth will resume at a 2 percent-plus pace early in 2003 as employers fill vacant positions, and then will settle down to a moderate but sustainable pace of roughly 1 percent per year.

The rapid output and employment growth of the late 1990s will not return over the five-year forecast horizon, and probably not for several years beyond that. Just as the bursting of the real estate bubble in the 1980s inoculated the economy against a repeat of such over-speculation in the 1990s, the bursting of the stock market bubble of the 1990s should prevent a recurrence of irrational exuberance and over-investment in the 2000s.

Manufacturing and related temporary and contract employment have borne the brunt of the layoffs so far in this recession, both in the United States and the region. We expect manufacturing employment to expand once more in New England beginning in mid-2002 as manufacturing output growth expands beyond productivity growth. As the rate of expansion dips below productivity in the latter years of the forecast period, manufacturing employment will decline at a slow annual rate of less than 0.5 percent per year.

### New England Economic Project Annual Payroll Employment Growth, 2001 to 2005 (October 2001 Forecast)



What is especially significant is that, once the recovery begins, the rate of manufacturing employment growth will exceed that of the nation. Two things account for this superior performance. One is that the region is concentrated in the production of products that are expected to be in relatively greater demand in the future — technology products, including not only electronics, but also biotechnology, pharmaceuticals, and medical devices. The other is that the region has a comparative advantage in production that requires highly skilled labor and engineering; almost all production that requires competing with low-cost labor has already disappeared from the region.

In terms of relative rankings of economic growth among the New England states, NEEP expects that New Hampshire will continue to lead the region, followed by Vermont and Massachusetts. Both New Hampshire and Vermont will have labor force growth exceeding that of the nation, while Massachusetts will benefit from its agglomeration of technology and defense capacity and large pool of highly educated workers. Con-

necticut, Maine and Rhode Island will grow somewhat more slowly. Slow population and labor force growth will constrain the rate of expansion in Connecticut and Maine, and Maine's and Rhode Island's higher concentration of “traditional” manufacturing industries will restrain their growth relative to the rest of the region. ■

\* Alan Clayton-Matthews is Assistant Professor, Public Policy Program, UMass Boston and President of NEEP.

*New England Developments* is published quarterly by the Economic & Community Development Department of Northeast Utilities. It is intended to foster dialogue on economic and quality of life issues in the region.

**Douglas G. Fisher**  
Manager, Economic & Community Development

**Michael B. Levin**  
Chief Policy Specialist and Editor

Comments about *New England Developments* or requests for copies are encouraged. Please contact the editor by e-mail at [levinmb@nu.com](mailto:levinmb@nu.com), fax at 860-280-2392, or telephone at 860-280-2546. This newsletter paid for by NU System customers.

## Guest COLUMN

### Preparing for the Upturn



Craig Moore

by Craig L. Moore

Prior to the terrible events of September 11, the economy was flirting with recession. Not just here in the United States, but in all the major industrialized economies. Economists generally were looking at several quarters with flat growth as a best case scenario, with a gradual upturn coming in the summer of 2002. Now, with war being waged in Western Asia and continued uncertainty about future terrorism at home, all bets are off. Our economy is in a period of great uncertainty. Having said that, however, there are some things that we should all be reminded of as we look ahead.

First, this downturn in the business cycle is not like the last one. When the Cold War came to an end, Southern New England lost more than half a million high paying manufacturing jobs related to the defense industry. It also saw a disastrous collapse of the mini-computer industry that eliminated over 70,000 high paying jobs. Financial institutions in the region were overextended and had serious problems. But, this was a regional recession. It was not part of a national or global economic cycle. The region restructured its economy during the 1990s, becoming more diverse as new high tech industries transformed a talented pool of engineers and computer specialists that once worked in defense and mini-computers into telecommunications, software, medical instruments, integrated systems, and other areas. The financial services sector also grew in response to a booming stock market and regulatory

changes. The economy of the region today is nothing like it was in 1990.

Second, the new economy of our region is more integrated into the national economy and is much more affected by changes in the global business cycle than in the past. A good share of our business is linked to European markets in particular and international trade in general. The backbone of our economy still includes medical services, educational services, and a host of business services. Only 19 percent of our employment is in manufacturing and this continues to shrink. The new economy is also characterized by many more small businesses than in the past.

The one element that has not changed, however, is that a core of households, living primarily in our larger urban centers, remain at a lower standard of living than the rest of the population. Many of these households are made up of single parents and unskilled or poorly educated people. While the economy was booming, many of them were able to find some opportunities. Welfare reform and other measures did seem to have a positive impact, but recent studies show that in terms of real income, there was actually little progress. These people are now at risk of losing any meager gains they may have made.

#### Making Plans

Looking forward, with these factors in mind, one might ask what do we do now? How can we make any plans or develop any initiatives with so much uncertainty? Well, the alternative is to leave the future to chance; to remain reactive and abdicate any influence over our future. This is never a wise course.

Rather than looking at the short-term problems and wringing our hands about the uncertainty, we have to look further out. We have to realize that the economy will recover, and in fact may do so faster as a result of the increase in government expenditures, tax cuts, and

lower interest rates related to the current political crisis. The question we must focus on is what will spur the next wave of economic growth? How do we position ourselves to take advantage of it? And how do we avoid spending our resources on promoting activities where the initial opportunities are already past? We don't want to be like the investor who buys a stock after it has already experienced most of its gains and there is little room for further growth.

If one looks at where research funds have been going during the past five years, several areas stand out. One of these is nanotechnology. Making things that are so small, that they can be assembled or changed at the atomic level. This technology will be used in medical treatment and combined with the life sciences. It will be used in tiny computers designed into every part of our life and even our bodies—ubiquitous computing—and provide many new applications that are not even dreamed of yet. Everything is going to get much smaller and faster and the knowledge associated with this revolution will be a driving force in the economy of this new century. Nanotechnology will be an integrating element that cuts across other technologies and brings together diverse scientific applications.

If our region is truly a "knowledge corridor," then our universities and companies should be making a substantial investment to establish research, design and education programs that support this kind of development. Nanotechnology is not the only candidate for future growth, but it is an example of the kind of field we should all be looking toward. We should focus part of our economic development strategy on the long-run and identify a number of promising areas where the region might have a natural advantage or could develop one.

We also have to identify sectors of the economy that already hold a lot of promise for growth and support their

*continued on page 8*

# The International Marketplace

by Dawn M. Wivell

**A**t 4 percent growth in global output, the performance of the world economy in 2000 was the best in more than a decade. But things have changed significantly since then. This is, at best, a confusing time for the globally oriented business. The current economic downturn, coupled with the events of September 11, have made it difficult for companies to plan and think strategically.

But as the leader of the world economy, the United States engages the world politically, economically and diplomatically. Because of the pivotal role it plays, our economy is a matter for worldwide concern.

It is important to remember the crucial role that international trade plays in the health of the economy and quality of our lives. One of every four dollars circulated in the global economy is a direct result of international trade. And export-related jobs generally pay better and are more recession proof.

**The internet makes you and your business available to customers everywhere. By the same token, it increases your competition.**

It is essential to understand the impact that the increasing integration and interdependence of the global economy will have on your business. In many ways, we are moving increasingly towards a worldwide "borderless" economy. Consider the impact of North

American Free Trade Agreement, the European Union, the FTAA, the World Trade Organization and the accessions of China and Taiwan thereof, new bilateral trade agreements with Jordan and Vietnam (pending) and the rapidity with which new trade pacts will develop with the Trade Promotion Authority. Consider how the new "knowledge society" will affect your access to worldwide markets (knowledge travels almost effortlessly!). The internet makes you and your business available to customers everywhere. By the same token, it increases your competition.

It is critical, particularly in this economy, to understand trade flows, as much of what will happen in the world is dependent on the performance of the U.S. economy. Let's take a quick glance at the status of some of our top markets:

- **Europe** — Although indicators point to a slowdown in the European economy, the projected recovery of the Euro may bode well for a stable economy. The European Central Bank foresees modest growth from 2 to 2.5 percent.
- **Asia** — Still a fragile economy, Japan depends a great deal on the U.S. market, and is forecasting negative growth. Although 20 percent of Chinese exports are destined for the United States, China's robust growth last year and recent accession to the WTO paint a fair picture.
- **Latin America** — This region reached 4 percent annual growth in 2000, however, it is difficult to gauge future trends as there is considerable variation from country to country. Much is dependent on the extent of each country's trade links with the United States as well as many other complex and diverse policies.

Small- and medium-sized businesses represent nearly 97 percent of U.S. exporters. Indeed, two-thirds of all U.S. exporters have fewer than 20 employees.

A haven for small exporting companies, it is notable that New Hampshire is the only New England state expected to enjoy a stable economy in 2002 and is projected to be the first one to emerge from the current economic downturn. Last year our international sales to approximately 160 countries reached the \$2.5 billion mark, which represented a 23 percent increase over 1999. As of the end of September 2001, New Hampshire further increased its sales by 11.5 percent compared to the same period last year. This is excellent if you compare New Hampshire to the country as a whole, which saw a 3 percent decrease.

In addition to the obvious—increased sales—there are many additional benefits to trade: greater economies of scale; a better and more diverse customer service; the ability to smooth seasonal fluctuations; extended product life cycles; and access and exposure to new technologies.

Despite the uncertainties, it's more important than ever for companies to think globally, prepare and market strategically. In New Hampshire, offering that help is the primary mission of the state's International Trade Resource Center, a one-stop location for assistance and access to the global marketplace. Under one roof in Portsmouth, N.H., you will find a team of state, federal and private-sector who have won national recognition for the uniqueness and effectiveness of their programs. The trade center offers support in the areas of training and education, strategic planning, marketing, market research, finance, risk avoidance, video-conferencing, international networking and contacts, cross-cultural guidance and information to any New Hampshire business. ■

*Dawn Wivell is Director of the New Hampshire Office of International Commerce at the International Trade Resource Center.*

## Power POINTS

### Safety First

New England is the safest region in the country according to the latest crime statistics from the U.S. Department of Justice. The region has four states in the Top 10 with the lowest crimes rates (total crimes per 100,000 population in 2000): New Hampshire (3<sup>rd</sup>), Maine (5<sup>th</sup>), Vermont (7<sup>th</sup>) and Massachusetts (9<sup>th</sup>). Connecticut and Rhode Island also have crime rates well below average. Typically, New Hampshire has had the lowest crime rate in the U.S., but it dropped two places in the latest ranking. Overall the region had just over 3,000 crimes per 100,000 residents, compared to more than 4,100 for the nation.

### Old Folks Home

If population is destiny, then New England's primary industry this century might be assisted living communities. All six states rank high in median age in the 2000 Census, placing from third (Maine, 38.6 years old) to 12<sup>th</sup> nationally (Massachusetts, 36.5 years old). The U.S. median age is 35.3. All six were also above average in the percent change in median age between 1990 and 2000, led by Vermont, Maine and New Hampshire, which got older at faster rates than any other states. Combined with the region's high proportion of elderly, the median age data suggest a continuing shortage of workers needed to fuel economic growth.

### Tax Haven

New Hampshire's low taxes could be attracting retirees. Using census data, Public Service of New Hampshire reports that in the Granite State government revenue took only 11.8 percent of personal income in 1999, the lowest burden in the country. Revenues

include taxes, fees and charges levied by state or local governments. (New Hampshire has no broad-based sales or personal income taxes.) Relative to income, Massachusetts, Connecticut and Rhode Island also have lower burdens than the U.S. average, which is 15 percent of personal income. The state/local revenue bite is 15.9 percent in Vermont and 17.7 percent in Maine.

**New England is the safest region in the country according to the latest crime statistics from the U.S. Department of Justice. The region has four states in the Top 10 with the lowest crimes rates.**

### Diversity Benefits

Having diverse economies can help New England states weather the current national recession. Sectoral diversity (the degree to which income is spread across a range of industries) is measured each year in the Corporation for Enterprise Development's *Development Report Card for the States*. The 2001 edition places all states in the region except Vermont in the top half nationally on this index. The Massachusetts economy is the most diverse in New England (13<sup>th</sup> best in the country) followed by Rhode Island (16<sup>th</sup>) and Maine (20<sup>th</sup>). Nevada's economy has the worst diversification, reflecting its reliance on gaming/tourism.

### Connected

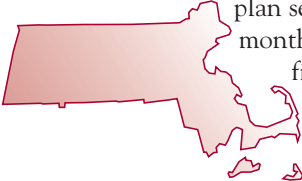
The region fares well on its capacity to compete in an information-based economy. All New England states except Rhode Island are above the U.S. average in households with computers and in internet access, according to the National Telecommunications and Information Administration. New Hampshire leads the way with almost 64 percent of households with computers, third highest in the nation, followed by Connecticut (60.4%), Maine (54.7%), and Vermont (53.7%). Surprisingly, the region's high-tech leader, Massachusetts, trails the region, although at 53 percent of households the state is still higher than average (51.5%). Less than half of Rhode Island households had computers in this October 2000 survey.

### Sprawl in the East


A recent study on sprawl in U.S. metro areas by the Brookings Institution (July 2001) found that while the vast majority of metros are adding urbanized land much faster than their populations are growing (that is, becoming less dense), this trend is most notable in the Northeast and Midwest rather than in regions with rapid population growth like the West and South. In the Northeast and Midwest, great amounts of land are being developed to accommodate minimal population growth; in metro Boston, for instance, population increased 6.7 percent between 1982-97, but urbanized land increased 47 percent. Portland, Maine, experienced 17 percent population growth during this period, but its urbanized land grew 108 percent. According to the authors, one explanation for these findings is that, "Metropolitan areas tend to consume more land for urbanization—again relative to population growth—if they are already high-density metro areas and if they have fragmented local governments."

*New England Budget Positions, cont'd. from page 1*


**Massachusetts:** After operating under a provisional spending plan several months into the fiscal year, on November 19 the governor submitted a “recovery” budget of \$22.8 billion to the legislature. Shortly thereafter, the legislature finally produced a budget of \$22.3 billion, which the governor signed with \$232 million in vetoed spending (\$175 million of which was later overridden). Both budgets incorporated a reduction of \$750 million in expected revenues from the previous estimate, mostly due to a shortfall in personal income taxes, especially from capital gains. Personal income taxes account for about 60 percent of consolidated revenues in Massachusetts so the state budget is particularly vulnerable to rising unemployment and a bear market. The adopted budget is balanced in part by using \$806 million from the state’s rainy day fund and \$150 million from the tobacco settlement reserve. Subsequently, the governor submitted a supplemental budget for Medicaid and human services totaling \$595 million, which has been partially approved by the legislature.



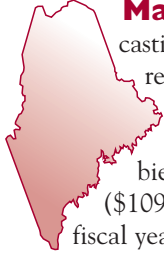
The state has enacted one spending rescission equal to 1 percent of appropriations (or \$8.5 million), and another 1 percent is in the works to save \$9.3 million. State officials will wait until estimated tax payments are tallied in early February before considering other actions. There is concern about the longer-term effects on state revenues of recent layoffs, including 500 at IBM, Vermont’s largest employer. Recent surpluses have been used for one-time projects rather than to expand its budget base, leaving the state better prepared to face the current downturn.



**Vermont:** A special meeting of the consensus revenue board held November 14, utilizing forecasts delivered by state economists, lowered the July General Fund revenue estimate for FY 2002 from \$907.1 million to \$880.9 million. Revenues had already been lowered from the \$916.2 million estimate during spring budget adoption. The overall reduction is almost 4 percent. Income tax receipts have been holding up well, offsetting shortfalls in most other taxes including sales taxes. The Transportation Fund revenue projection was reduced only marginally—gas tax revenues have been steady as have purchase and use taxes on autos due to zero-percent financing deals.



**New Hampshire:** State revenues, which were running \$14 million ahead of the budget plan through November, turned down in December with higher than expected corporate refunds and decreased revenue from business, meals and rooms, and other taxes. Officials are still assessing the situation but projected revenues for the year could be \$15 million less than the plan. The governor has proposed reducing FY 2002 appropriations by \$6.5 million pending legislative approval in January and directed state agencies to prepare for 2% reductions to next year’s appropriations. The consensus revenue board has been meeting to revisit the economic assumptions underpinning the budget, but so far signs have been mixed. Although tax receipts have weakened, tourism activity is off only slightly due to additional marketing funds provided in the state budget, and the opening of a new coliseum in Manchester. Enplanements at Manchester Airport have rebounded to pre-September 11th levels and retail sales are holding up well.



**Maine:** The economic forecasting commission made a revised estimate in early December that lowered budgeted revenues for the biennium by \$249 million (\$109 million for the current fiscal year and \$140 million in 2003). For 2002, sales and use tax

revenues were reduced \$47 million (5.4%), individual income taxes \$31 million (2.5%) and corporation income taxes \$21 million (17.7%). The budget gap for the biennium is probably at least \$300 million when emergency spending requests are added to the revenue shortfall. The requests do not include Maine’s Medicaid program, a deficiency mainstay in the region. The governor will present a revised budget to the legislature in January; he has already reduced budget allotments for 2002 by \$15.3 million and has requested further reduction targets from agencies of up to 4 percent over two years, including the first round of cuts.



**Connecticut:** A special legislative session was held in mid-November to address a potential General Fund deficit of \$302 million (2.5% of budgeted revenues). Primary culprits in the shortfall are lower than expected revenues from personal income tax withholding and from sales taxes. Connecticut has experienced heavy job losses since the start of the fiscal year, though these are easing. The governor presented a plan to eliminate the entire shortfall but eventually compromised with Democrats in the legislature on a \$200 million deficit reduction package. Agency appropriations in the operating budget were reduced by \$35 million, spending from the prior year’s surplus was cut by \$129 million (freeing up these revenues to help with budget-balancing), and \$36 million will be saved through agency belt-tightening ordered by the governor. Financing for half of the cuts in surplus spending was shifted to the capital budget. Further changes will wait until the regular session begins next February—legislative leaders hope the recent rebound in the state economy will eliminate any need for drastic action. ■

*Mike Levin is Chief Policy Specialist, Economic and Community Development for Northeast Utilities.*

# Five Principles for Economic Policy in a New Environment

by the Committee for Economic Development

**I**n response to the September 11 terrorist attacks, the Committee for Economic Development (CED), a nonpartisan economic research organization of 200 business leaders and educators, issued a statement of principles for sound economic policies during this period of crisis and beyond. This response was not unprecedented. In 1942, the CED was formed in part to develop principles for postwar recovery. Below is an edited version of the current statement, used with permission of CED.

**1. *Develop Short-Term Policies Within A Sound Long-Term Framework.*** We are now entering a period of great economic uncertainty that may require significant short-term fiscal stimulus. We still face long-term economic problems, however, which are different in nature and which require very different solutions. We must implement short-term policies without compromising the nation's long-term economic strength. Otherwise, both short and long-term objectives may be undermined, as discussed below.

**2. *Define Priorities Sharply.*** Larger national security requirements will constrain the economic and fiscal resources available for other purposes. We must resist the facile notion that budget constraints are no longer operative and "anything goes" because we are in a new policy environment. Quite the opposite is true; reconciling large immediate public needs with private consumption and investment will require more stringent discipline. This is no time to indulge special-interest or government-agency wish lists or partisan policy agendas.

**3. *Do Not Abandon Critical Domestic and International Goals.*** Increased attention to our security goals must not lead us to abandon other critical long-term objectives. First, the lines between security and non-security sectors and issues have become less distinct. Structural changes will be needed, for example, to increase our transportation options and reduce our vulnerability to oil shortages. Second, how we deal with "non-security" objectives will define the kind of society we have in the future. To take but one example, we believe it would be tragic if welfare reform were to fail because we provided inadequate resources to vulnerable families as the labor market weakens, state revenues drop, and time limits constrain program eligibility.

**4. *Be Flexible.*** There is currently enormous uncertainty with respect to the security threat, our future security requirements, and likely changes in the economy. It is therefore essential that policies be flexible so that they can be modified as necessary when conditions change. The federal government should be prepared to protect and enhance our critical economic and public safety infrastructure, even if this requires unusual and interventionist actions by peacetime standards. We believe the assistance provided to the airlines is justified on these grounds.

**5. *Rely on A Strengthened Safety Net, Not Industry Subsidies.*** We support direct emergency assistance to industries and firms where the survival of our infrastructure networks is at stake. But we should not provide such subsidies more generally—a policy that would immediately raise impossible questions of equal treatment and quickly undermine the efficiency of our market economy. Instead, existing safety net programs, such as unemployment compensation, should be extended and strengthened to address the risk of greatly increased economic hardship in the coming months.

*Guest Column, cont'd. from page 3*

expansion. These clearly include tourism, precision manufacturing, medical services, educational services, insurance and financial services, and other sectors. Within each, however, we should also be asking what will be the next new development or product or service that will give those activities based here an advantage. What infrastructure can we provide to support their development both in terms of public capital and the development of human capital. Today, more than ever before, investment is influenced by the availability of high quality human resources.

This time calls for some strong leadership that can look beyond the

immediate economic uncertainty and political concerns. One of the primary sources of this leadership should be the business community of our region; not just elected officials. I like to tell my students as they prepare to leave the University of Massachusetts and enter the business world that, "Those who can, do, and those who can't, wring their hands and make excuses." This is not the time to be paralyzed by the immediate serious concerns of the day. It is the time to prepare for the next set of opportunities and focus on our future. ■

*Craig Moore is University Professor of Political Economy at the University of Massachusetts Amherst.*

HP100135M

Policy Issues Shaping the Regional Economy

**DEVELOPMENTS**  
*New England*

www.nu.com

P.O. Box 2370  
Hartford, CT 06146-2370

**Northeast  
Utilities System**



# DEVELOPMENTS *New England*

## Readership Survey

January 2002

Please take a moment to provide us with some valuable feedback on the *New England Developments* newsletter.

**Please FAX your completed survey to us at 860-280-2392.**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Organization: \_\_\_\_\_

E-mail: \_\_\_\_\_

1. In general, how valuable do find the information provided in *New England Developments*?  
a. Very valuable \_\_\_\_ b. Somewhat valuable \_\_\_\_ c. Not valuable at all \_\_\_\_
2. When you receive *New England Developments* will you most likely:  
a. Read the newsletter in full \_\_\_\_ b. Read certain articles \_\_\_\_ c. Not read the newsletter \_\_\_\_
3. *New England Developments* is divided into several sections. Please rank the contents of each of these sections based on their perceived value. (1 = Very valuable to 3 = Not valuable at all)  
a. Power Points \_\_\_\_ b. Guest Column \_\_\_\_ c. Regional Economic Trends \_\_\_\_ d. General Articles \_\_\_\_
4. Are there topics you would like *New England Developments* to cover?  
(Please write in): \_\_\_\_\_  
\_\_\_\_\_
5. How does *New England Developments* compare with other publications you regularly read?  
a. Better than Average \_\_\_\_ b. Average \_\_\_\_ c. Below Average \_\_\_\_
6. *New England Developments* is available online at [www.nu.com/develop](http://www.nu.com/develop). Would you prefer to read it online, continue receiving the newsletter in hard copy or have it e-mailed?  
a. Hard Copy (mailed) \_\_\_\_ b. E-mailed \_\_\_\_ c. Read Online \_\_\_\_
7. Do you wish to remain on our mailing list? a. Yes \_\_\_\_ b. No \_\_\_\_
8. Would anyone you know like to be added to our mailing list? (Add name/address below.)

Name : \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

**Thank You!**