



A freight train shatters the solitude of Thurmond's abandoned commercial row.

Thurmond was beginning to slow down when this photo (below) was taken around 1930.

The End of Nowhere

What can ghost towns teach us about saving small communities?

BY KARL RHODES

The tree-canopied road to Thurmond, W.Va., winds along the banks of Dunloup Creek past waterfalls, wildflowers, and herds of grazing deer. The final approach to town spans the New River Gorge with a one-lane road cantilevered off a rusty railroad bridge.

Most people would call Thurmond a ghost town. Abandoned commercial buildings, three and four stories tall, loom over an empty rail yard. A passing freight train shatters the solitude, but as its warning chords fade in the distance, the loudest sound is once again the rushing waters of the New River.

Thurmond was not always such a peaceful place. A century ago, locomotives constantly jammed the rail yard — belching steam, smoke, and hot cinders. Twenty passenger trains arrived and departed daily, bringing hundreds of visitors to the area's hotels, boarding houses, and saloons. Drinking, gambling, and prostitution were 24/7 pursuits across the river in the Ballyhack district, where the Dungen Hotel is said to have hosted a poker game that lasted 14 years.

At one point, Thurmond was called the “Dodge City of West Virginia,” an image the town's marshal promoted by

wearing a broad-brimmed Stetson hat and wielding a notched gun. Estimates of his “official killings” ranged from seven to 18, according to a book about the town by historian Ken Sullivan, executive director of the West Virginia Humanities Council. Thurmond's Wild West reputation has been cultivated and embellished, but Thurmond's other nickname — “Biggest Little Town” — was well-deserved. Trains, coal, people, and money flowed through this tiny town in copious quantities. In 1910, Thurmond generated nearly \$5 million in revenue for the Chesapeake and Ohio (C&O) Railroad, approximately \$110 million in today's dollars.

“For years this little city, without a highway leading into or out of it, was known as the greatest banking center in the country in proportion to population,” wrote newspaperman Eugene Lewis Scott in 1943. Scott was hyperbole-prone, but other sources confirm that Thurmond's two banks were among the most prosperous in West Virginia.

The town's census population peaked in 1930, but coal mining already was declining in the surrounding county, and the Great Depression was hitting the town hard. The National Bank of Thurmond closed, the Dungen Hotel

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burned down, and, according to local legend, the fire ended the 14-year poker game. The biggest blow, however, came in the 1950s, when the C&O switched from steam locomotives to diesel engines, making Thurmond's rail yard obsolete.

Today, with only seven residents remaining, Thurmond is the smallest incorporated town in the Fifth District, but its story raises big questions about what should be done — if anything — to save small towns that no longer seem economically viable.

Throughout the Midwest, across the Great Plains, and in swaths of Appalachia, many small towns are losing population rapidly. Sociologists Patrick Carr of Rutgers University and Maria Kefalas of St. Joseph's University document this dramatic trend in their 2009 book, *Hollowing Out the Middle: The Rural Brain Drain and What It Means for America*. They plead passionately for saving small towns, but economists note that mobility of resources is essential to economic growth. The national economy benefits greatly from people moving easily to places where their talents can be put to better use.

"It's just economics 101," says Mario Polèse, an economist and geographer at the Institut National de la Recherche Scientifique in Montreal. Polèse explains that people have migrated from rural communities to big cities since the beginning of the Industrial Revolution, primarily because nations need fewer farmers and intermediaries to produce and transport agricultural commodities.

"All industrialized countries basically went from 80 percent rural to 80 percent urban," he says. "We've all gone through that stage — England, France, Canada, the United States, Japan — and now China and India are going through the same thing."

Ghost towns will develop only in extreme cases, Polèse predicts. "What is much more the rule is an increasing number of towns that are going to fall to a population level that is commensurate with what is economically reasonable." Most of these declining towns occupy a funnel-shaped region that begins at the Texas-Mexico border and extends across the Great Plains states and into the prairie provinces of Manitoba and Saskatchewan.

"Hollowing out" accurately describes this continental migration, but then again, "one shouldn't overdramatize," Polèse cautions. Migration levels have "started to level out," he notes. But in North America — especially in the United States — the population remains quite mobile. And that is a good thing. In a 2007 article, *The Economist* took this view one step further: "Ghost towns are sad places," it said, "but also monuments to American dynamism."

Ghost Town Model

From the 1880s to the 1980s, Thurmond completed the boom-bust cycle that produced thousands of ghost towns in the western reaches of the United States and Canada. In a 2009 article in the *Journal of Regional Analysis & Policy*, economists Philip Graves and Emily Elizabeth Tynon, of the University of Colorado, and Stephan Weiler of Colorado

State University analyzed data from two Colorado examples — Cripple Creek and Leadville — to test a model they developed to study the economics of ghost towns.

"Most of these towns were based on intensive mining booms typifying the extractive industries of the 19th and early 20th centuries," they noted. The mines often were located in harsh, isolated areas. They generated quick profits for owners, high wages for workers, and short-term perspectives for everyone involved. The resulting economies had little diversification, rapid cycles, and fixed investment that was limited and disposable. These boomtowns also attracted the Wild West's most mobile population — single men — in disproportionate numbers.

Cripple Creek and Leadville certainly fit the model, as did many West Virginia towns with coal-based economies. But the Colorado researchers note that "coal towns have declined more slowly than would be expected based on the histories of their Rocky Mountain brethren," due primarily to higher levels of homeownership and the deeper socioeconomic roots that come with it.

Thurmond's early residents rented houses from the town's founder, Capt. William Dabney Thurmond. But by all accounts, he did not intend to build a temporary town. His homes and commercial buildings were well-constructed, and the town's residents developed a strong sense of community.

The Colorado researchers encountered those same factors when they applied their ghost town model to struggling agricultural communities in the Midwest. Farm employment has decreased steadily in the United States since World War I, but the people who built Midwestern towns invested considerably more in residential and commercial structures than their counterparts in Colorado. These substantial investments eventually attracted residents with higher mobility costs who now seek to reverse their towns' economic fortunes. Typically they pursue economic diversification, seek government assistance, and promote tourism and historic preservation. Yet the Colorado researchers are pessimistic about the future of these small towns.

"To some extent, the ubiquitous nature of Midwestern disamenities (e.g., gray winters, humid summers) implies that such programs may be fruitless in the long run," they conclude. "More slowly decaying extractive regions, such as coal mining in Appalachia and farming in the rural Midwestern United States, seemingly face similar difficulties in the late 20th century and early 21st centuries."

Worthwhile Canadian Initiatives?

Small towns are battling more than bad weather, Polèse says. They are competing against the enormous economic advantages that big cities enjoy.

"Trying to stop people from moving to cities will not work, certainly not as long as opportunities are more plentiful in the city than in the countryside," he writes in his 2009 book, *The Wealth & Poverty of Regions: Why Cities Matter*. And some rural development initiatives can accelerate migration

to cities, he contends. Programs to boost education levels or agricultural productivity are prime examples. These are laudable goals, but more productive farms require fewer workers, and better-educated young people become even more likely to move to cities where their education will help them earn higher salaries.

Polèse lives in Canada, a nation with many ghost towns — economic casualties of declines in mining, fishing, forestry, and farming. In some extreme cases, Canada's provincial governments have offered relocation incentives to persuade residents to abandon remote towns that have become too expensive to maintain. Residents of Newfoundland, for example, started abandoning small fishing villages in 1945. The provincial government encouraged this trend by offering modest relocation incentives that emptied out many isolated towns. Some of these economic refugees moved to the coastal town of Great Harbour Deep, but the town's cod fishing industry collapsed in the early 1990s, and in 2002, residents abandoned the town in exchange for resettlement payments of CAD\$100,000 per family (about \$63,000 in U.S. currency at the time).

The deal must have caught the attention of residents of Murdochville, a remote mining town about 370 miles northeast of Quebec City. The town was struggling to survive after Noranda Inc. closed its copper mine in 1999 and its copper smelting operation in 2002. About 5,000 people lived in Murdochville in the 1970s, but by 2003, its population had dwindled to 734. Nearly two-thirds of the town's remaining electorate voted to abandon Murdochville if the provincial government would compensate them for relocation expenses and loss of property values.

Quebec officials refused. Instead, they offered Murdochville a CAD\$17.5 million (about \$12.6 million U.S.) relief package, including funding to balance the municipal budget, establish an auto insurance call center, and recruit new industries. The town has attracted two wind-turbine farms, built with \$180 million in private investment, and the population has stabilized at about 800, but the town's unemployment rate remains precariously high.

Canadian policymakers are more likely to subsidize dying towns than their counterparts in the United States, Polèse says. "That is definitely part of the Canadian tradition. It's not as strong as in Europe, but it has always been part of the fabric of our country. Even in the Constitution, you have what we call 'equalization payments' — essentially a redistribution of federal tax revenue from richer provinces to poorer ones. "Implicitly, that means that you are going to keep certain small communities alive that otherwise would not survive."

Small Towns, Big Ideas

Some small communities will become ghost towns, but that doesn't mean every small town losing population should stop fighting for survival. That's the philosophy of Will Lambe, director of the Community and Economic Development Program at the University of North Carolina at Chapel Hill.

In his 2008 book, *Small Towns, Big Ideas*, Lambe highlights 22 towns in North Carolina and 23 towns in other states that have experienced some success with a variety of economic development initiatives. Chimney Rock, N.C., has "figured out a way to capture tourists flowing into a nearby park" by sprucing up its downtown and building a river walk. Colquitt, Ga., has attracted tens of thousands of visitors to a theatrical phenomenon called *Swamp Gravy*, and Siler City, N.C., has "triggered a minor renaissance" with its North Carolina Arts Incubator.

These success stories are encouraging, but many other small towns are pursuing similar strategies, and there has to be a saturation point for arts-based projects and small-town tourism. Reynolds, Ind., is betting instead on America's seemingly insatiable appetite for energy.

Reynolds is "a one-stoplight town with 550 people and 150,000 pigs," Lambe writes. In 2005, the governor of Indiana proposed turning the struggling town into a demonstration project for producing alternative energy. According to a state study, "hog manure and other organic waste in and around Reynolds could produce 74 times the town's energy needs."

The town embraced the idea of building a biomass plant, purchasing flex-fuel vehicles, even adopting the nickname BioTown, USA. Charlie Van Voorst, president of the town council sums up the town's response this way: "We thought, 'Gosh, there's not much going on here in Reynolds, so we'll try anything.'"

Call it "reverse NIMBYism." Enthusiasm for projects that other localities would find unacceptable — at least "not in my backyard" — can be an important comparative advantage for small towns that are struggling to survive. Many communities have opposed wind-turbine farms, for example, but the residents of Murdochville were used to some industrial noise, so the constant humming of the turbines didn't bother them. They also didn't see the huge windmills as eyesores. In fact, they incorporated turbine blades into the town's logo.

Another good example of reverse NIMBYism unfolded in Chillicothe, Mo., where residents waged a successful campaign to keep the state from closing a nearby women's prison. The town put forward an innovative proposal that preserved the prison's 200 jobs and created 250 additional employment opportunities.

"While some rural communities may view prisons as an industry of last resort, officials and residents in Chillicothe have come to value the corrections industry," Lambe writes. They see it as "an antidote for the slowly collapsing farm economy and a century of declining population."

Thurmond's Future

Thurmond's 14-year poker game may have ended in 1930, but the town never folded, not even when the National Park Service started buying out the remaining residents and consolidating the town into the park system of the New River Gorge National River.

In 1995, the Park Service renovated Thurmond's 1904 passenger depot and turned it into a museum and visitors' center. The Park Service also stabilized the abandoned commercial buildings overlooking the rail yard and proposed a historic site similar to Steamtown in Scranton, Pa. The next step was to renovate the old C&O engine house and turn it into a railroad museum. But Thurmond's luck took a familiar turn for the worse: The engine house burned down, and the Park Service put its more ambitious preservation plans on hold.

Now it appears that Thurmond — or at least its surrounding county — might be making a comeback. The Boy Scouts of America is developing a \$400 million complex near the town that will become the permanent home for the National Scout Jamboree. (See related story on page 4.) Every four years, about 48,000 scouts and volunteers will spend 10 days at the Summit Bechtel Family National Scout Reserve. The complex also will become a high-adventure base that will serve at least 30,000 Boy Scouts every year.

It's easy to imagine the retail potential of thousands of Boy Scouts exploring a ghost town, but the Park Service's historical architect says it would cost \$3.5 million to prepare the ground floors of the abandoned commercial buildings for retail tenants. The Park Service already has invested more than \$7 million to preserve the town, and the prospects of more federal funding are fading fast.

One Thurmond resident suggests that the Park Service has become gun-shy after the restored passenger depot made a brief appearance on "The Fleecing of America." The *NBC Nightly News* segment asked why the federal government would spend \$3 million to renovate a train station in a town with only seven residents.

Thurmond is still a flag stop for Amtrak, but the town's mayor, Melanie Dragan, points out that the passenger depot



The National Bank of Thurmond was a charter member of the Federal Reserve Bank of Richmond. During Thurmond's heyday, national banks issued their own currency. Mark Hotz, who purchased this 1907 specimen on eBay, says Thurmond bank notes are quite rare.

has become more of a museum and visitor center than a working train station. It welcomes thousands of visitors each year, but the underlying question of how much money the federal government should invest to preserve a ghost town remains relevant.

"It depends on why you want to save it," Polèse replies. "If you are from the small town, and you are really attached to it, you agree. But if you are the federal government, and you are looking at the debt going up, you may not agree. That's really what democracy is all about."

Leah Perkowski Sisk, who grew up in nearby Beckley, W.Va., casts her vote for preserving Thurmond. As an education technician at the New River Gorge National River, she says this "Biggest Little Town" has much to teach about economic history.

Thurmond is a great example of many things," she says. "To me it's an example of changing technology, such as the railroad's conversion from steam to diesel, and how when job markets shift, so do the people. Today, Thurmond seems like the end of nowhere, but 100 years ago, it was the beginning of everywhere."

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