The Virgin Islands Consortium

A VI Picnic In Atlanta Draws Thousands. What Does It Say About The Territory's Economic State?

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ATLANTA -- It was a beautiful thing to see the thousands of people who descended on the Lenora Park in Snellville, Georgia for the 11th Annual Memorial Weekend Picnic, a Virgin Islands event that sees those who've moved to various states in the mainland, along with some visiting from the territory, gather for one big food and entertainment event.

It was also astonishing in another sense to see how large the Virgin Islands community has grown in the United States. While a definitive figure is hard to come by, the number is said to exceed the current population of the U.S. Virgin Islands, which now stands at 104,914.

Take for example Georgia. During The Consortium's coverage of the Memorial Day weekend activities in the state, we concentrated mostly on Virgin Islands events, or events spearheaded by Virgin Islanders, including Atlanta's J'ouvert Morning, VI All De Way, an affair that included only Virgin Islands entertainers, and the biggest of them all being the picnic.

Some people we spoke with had only last year left the territory but had already integrated themselves into Georgia's local Virgin Islands fabric. Some admitted that the transition was hard, but they were making great strides, and while some had in the back of their minds the thought of returning to the territory someday, none we spoke with expressed no immediate intention to do so.

The picnic, which also included entertainment from St. John's Cool Sessions Brass, had a lot of familiar faces. And the food was local, too, with the expected Virgin Islands cuisine available at multiple booths.

The large community in Georgia is replicated -- and even greater -- in the state of Florida. Texas boasts a great number of Virgin Islanders too, along with the state of New York. Many of the USVI expatriates are doing exceptionally well on the mainland, a good example being TK Petersen, a 27-year-old Virgin Islander from St. Croix living in Atlanta, Georgia, who co-founded The Gathering Spot, a near 30,000-foot invite-only membership club that facilitates an array of activities — from events, to hearing parties, conferences, concerts and more much.

The vast amount of Virgin Islanders now living on the U.S. mainland can be attributed to a number of factors, including the ease of moving because of their status of citizen. But it also speaks of the need to better one's economic status, which exposes a problem the territory has faced for a long time: the lack of economic opportunities for its people.

Many people point to the closing of the HOVENSA refinery on St. Croix in 2012 as the point where the economy took a nosedive. However, in truth, the U.S. Virgin Islands economy faltered along with the U.S.'s Great Recession, which began in December 2007 and lasted into 2010. But while the U.S.'s economy started to regain its footing in 2010, the Virgin Islands didn't follow suit, and gains that might have been won during recovery years were lost with the closing of HOVENSA in 2012.

From since that time, the territory has been unable to recover economically, forcing the middle class to seek opportunities on the U.S. mainland.

Then the 2017 storms came, which caused another exodus.

An examination of the fallout from Hurricanes Irma and Maria on the economies of Puerto Rico and the U.S. Virgin Islands was the focus of an economic press briefing in March at the New York Fed. According to data collected by the Federal Reserve Bank of New York , confirming what was already widely known, both U.S. territories were suffering from significant economic downturns and fiscal stress well before the storms hit in September 2017, raising concerns about their paths to recovery.

Following the hurricanes, the initial job losses in Puerto Rico totaled about 4 percent, though employment has somewhat improved. In the U.S. Virgin Islands, job losses totaled about 8 percent, with no rebound as of March, according to the NY Fed’s findings.

These losses are considerably steeper than what has typically been experienced after most major natural disasters that have hit the United States, but not nearly as devastating as Katrina's unprecedented impact on the New Orleans economy more than a decade ago, according to NY Fed economists working at the intersection of research and policy.

That being said, domestic air passenger data suggest that from September through November more than 150,000 people left Puerto Rico, net of arrivals. The number that left the U.S. Virgin Islands was proportionally even larger. Although some of those who left were visitors returning to the mainland, many were presumably island residents. Looking ahead, recovery will be affected by a variety of factors, most notably the degree of out-migration, the level of external aid these economies receive, and the effectiveness of fiscal and other reforms—especially in Puerto Rico.

Another observation during the picnic was how resilient the people of the USVI remain in the face of change. Their homeland may be struggling, and the problem was exacerbated by the 2017 storms. But Virgin Islanders, it appears, will find a way to not only survive, but work hard to thrive wherever they settle.