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The Creative Economy in Small Places: Eight Cases and a Developmental Model

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The Role of the Creative Economy:
Eight New England Case Studies

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Abstract

Eight case studies across New England offer understanding of the role of the creative economy in the community and economic development of rural towns and small cities. The cases include Providence and Pawtucket, RI; Burlington, VT; and Portland, Bangor, Norway, Dover-Foxcroft, and the St. John Valley, ME. Ten elements or "building blocks" are observed to be important, leading to an explanatory model for the development of the creative economy in small communities. These elements include creative people, education centers, cultural and natural amenities, business engagement, infrastructure, leadership, networks, strategies, time, and money. The creative economy in the eight communities has different dimensions and configurations depending on the diversity of resources and stage of development. Sustainability appears to be a challenge no matter what the population size or level of development. Further research to define elements further and to assess relative strength would improve the potential of the model's application as a self-assessment tool.

The evidence reported by our economist colleagues points to the arts and technology as important creative sectors of the Maine economy. Numbers are insufficient, however, to illumine the variety of resources within these sectors or how communities look to them as drivers of growth and development. Case studies conducted to complement the statistical analyses by Wassal and Colgan suggest that capitalizing creative resources for economic development is a process of asset identification and their strategic application.

The eight towns and cities comprising our cases range from densely urban to sparsely rural; the sample is small and not necessarily representative of the entire New England region. The starting point for the selection of cases was a literature review on the creative economy;[1] several recurring themes or common elements emerge in the literature. We next identified a number of places where these common elements are in greater or lesser evidence. The final selection of cases in Maine included: Portland, Bangor, Dover-Foxcroft, Norway, and the St. John Valley. Because Portland is generally considered in a class by itself in Maine in terms of population and other socio-economic measures, we included three small cities outside of the state as a basis for comparison with Portland: Burlington (VT) and Providence and Pawtucket (RI).

The primary evidence for this study was interviews with fifty respondents in these eight locations. What we learned about the creative economy is largely based on the local understanding people have of it, in the words of city managers, town planners, teachers, artists, journalists, manufacturers, legislators, county commissioners, and leaders of public, private and nonprofit organizations who work in community and economic development.

We begin here with the elements or "building blocks" of the creative economy identified in the literature and subsequently expanded upon from our field interviews. We next discuss the patterns we observed among these elements that led to a model of how small cities and rural towns may leverage them for development purposes. The eight case studies follow, illustrating strategic applications of the model in many variations. In conclusion, we present four findings from the research and five policy recommendations.

Ten Elements of Creative Economy Development

A literature review for this study suggests seven common elements, or "building blocks," in the effort to mobilize creative assets for development purposes. (See Appendix 3, Annotated Bibliography.) In the literature and in our eight cases, a wide range of examples appear for each "building block," which includes:

1. <u>Creative people</u>. Producers of the creative economy include entrepreneurs, scientists, academics, and employees of creative sector industries such as design companies and technology firms. In our interviews we also talked with visual and performing artists, workers in applied arts, managers of arts-related non-profit organizations and their associated volunteers, all of whom likewise contribute to the creative economy.
2. <u>Centers of education</u>. Schools, even at the K-12 level, contribute to the creative economy by providing work force training or the foundation for it. Colleges and universities fulfill the sector's research and development needs, attract creative people, and serve as the centers where creative people convene. In the eight cases, examples

include major research universities, private Ivy League colleges, art colleges, community colleges, and specialized training schools (e.g. culinary arts or boatbuilding).

3. Cultural and natural amenities. Cultural amenities include the local art and music scene, historic districts and buildings, arts and cultural institutions, restaurants, and cultural events and festivals. Amenities based on the natural environment such as hike/bike paths, public waterfronts, park systems, and facilities for outdoor sports functions are equally important. Especially in rural areas, it may be the remote and pristine setting itself which draws people to that place.
4. Business Engagement. Support of the creative economy by businesses, whether or not they are part of the creative sector, is important. In rural locations where the local economy has a small business base, a single company can give local development a big leg up. In the cities we studied, some businesses were anchors in run-down areas that later developed into "creative areas," where firms in creative sector industries congregate. Businesses within creative sector industries also serve as magnets for more development. In urban areas, for example, a start-up company in an industry, often high tech, may attract an eventual cluster.
5. Infrastructure. Infrastructure is the basic service framework that makes it possible to support not only the creative economy's suppliers but also the tourists, retirees, and consumers of its product. Convenient access to transportation networks and communication systems, including Internet access, is part of an area's infrastructure. So, too, are affordable housing, hotel/motel accommodations, hospitals, and public safety services.
6. Networks. Communications among important actors on a face-to-face basis are equally critical. Networks may be formal or informal but must transcend sectors (public, private, nonprofit) to be effective. Examples from the literature and observed in the eight cases include Chambers of Commerce, trade associations, art councils, government agencies, and stakeholder groups from across sectors gathered together for a project.
7. Strategies. These are purposeful plans or schemes developed by a community to stimulate creative economy growth and apply scarce resources to this end in a purposeful and systematic manner. They may include policies and programs such as tax credits, affordable housing, workforce training, and/or other actions, decisions, and resource allocations to advance the goal. Strategies in our eight cases have been formalized to a greater or lesser degree; all demonstrated a common goal within the community to strengthen the creative economy.

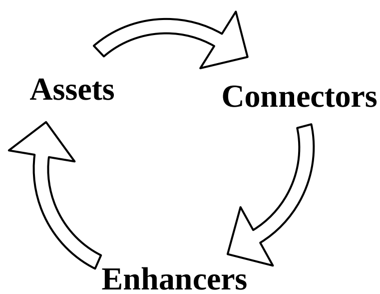
We have added three other building blocks of the creative economy based on our interviews and observations. Informants consistently mentioned them in each case:

8. Leadership. In all cases, the initial seed for developing creative assets came from the vision and commitment of either a single person or group of people. Continuing leadership over an extended period of time was necessary to ensure that initiatives maintained their momentum.
9. Money. Whether from government grants, private philanthropy, or local fundraising, the higher the level of financial resources the faster the pace in developing a creative economy strategy, and on a grander scale than places with lower levels.
10. Time. All informants agreed that building a creative economy takes time, in the neighborhood of 20 to 30 years. In the absence of money, voluntary or in-kind resources may go a long way but can take the process only so far. Even with strong financial investment, persistence over time is a necessary component.

Translating creative potential into economic results requires more than the "building blocks" themselves; the trick is in organizing them. Some common patterns emerge from the literature review and our interviews regarding how the eight communities have used the components, resulting in the following classification of the creative economy into an "ACE" model of assets, connectors, and enhancers.

THE *ACE* DEVELOPMENTAL MODEL

Assets	Connectors	Enhancers
Creative people	Leadership	Time
Centers of education	Networks	Money
Cultural/natural amenities	Strategies	
Business engagement		
Infrastructure		



At its simplest, the model shows how assets are connected and enhanced to sustain and develop more assets. At a more complex level, the eight cases we observed are at very different stages in the development process. Higher levels of development arise through application of enhancers to the asset base; at higher levels, the connectors grow more dense, complex, and sophisticated. Smaller places, not surprisingly, are often at the beginning point of identifying their assets and building their connectors. Larger places have sometimes been through the cycle more than once and are experiencing new challenges in the continual process. At some point the process may become self-generating, but just when and how is the subject for further research. Rather than using the model for predictive purposes, we suggest instead it is better thought of as a tool for explaining how the creative economy develops through identification of assets and their strategic application, and for assessing a community's place in the process.

CASE STUDIES

The eight case studies cover a lot of territory, both geographically and developmentally. The following order of presentation is based not on population size, but on the way each location has applied the model toward developing its creative economy: from the most institutionalized approaches in connecting assets to the most incipient. We say more about that hierarchy of strategic applications in the concluding section.

Providence, Rhode Island

Of the eight cases, Providence is the largest with more than 170,000 residents and the richest array of assets: nine colleges and universities, several large arts and cultural institutions, a recently renovated public riverfront, a concentration of creative sector businesses, and highly developed physical infrastructure, to name a few. The city also has the most formal, developed strategy for developing its creative economy and leveraging these assets toward growth.

Like many cities in New England in the 1970s and 1980s, Providence faced a declining downtown economy, abandoned buildings, and growing pressure from developers to move retail to the suburbs. In the early 1990s, to help counter this trend, Providence began revitalizing its downtown by focusing on cultural and natural amenities such as the riverfront and the arts. Today, with its higher commercial occupancy rates, increased tourism, and stronger downtown economy, the city's revitalization is widely recognized as successful.

Applying the working model to Providence's development, it is clear that all of the assets are present. Among its strongest are the colleges and universities. Brown University and Rhode Island School of Design, in particular, employ and educate creative people, and provide R&D and advanced training. A specific example is the Design and Business Entrepreneurship Center, shared by Bryant College and Rhode Island School of Design, that helps designers and inventors bring products to market and businesses design and commercialize new products.

Other strong assets include many amenities that have been central to the city's redevelopment. A major reconstruction project in the 1990s involving more than $300 million in transportation improvements opened access to two rivers and created pedestrian walkways, an outdoor amphitheater, a large retail mall, hotels, and bridges connecting the downtown to the college district. Other notable amenities include Providence Performing Arts Center, Trinity Repertory Company, AS 220 (a contemporary art space), Waterfire Providence (an annual public art installation on the rivers), the Rhode Island International Film Festival, and a burgeoning progressive music industry.

The city's revitalization is largely attributed to the leadership of the former Mayor Vincent "Buddy" Cianci, who is also credited with securing millions in federal funds for renovations and expansions of arts organizations. During his tenure, the city established an arts district, initiated a capital arts program, and began supporting WaterFires, credited with drawing hundreds of thousands of visitors downtown since 1995. The city also began granting tax exemptions to artists living or working in the arts district.

The current mayor, David Cicilline, has continued the focus on the arts by creating a new Department of Arts, Culture and Tourism that serves as the city's local arts agency, and by appointing a Cultural Affairs Officer to work with artists, residents, city planners, and economic development staff. Specific policies and programs include: providing an artist resource clearinghouse, awarding artists grants, and offering loans for arts groups to purchase buildings downtown, and sponsoring cultural events, including WaterFires, the Providence Jazz and Blues Festival, and the Rhode Island International Film Festival. A notable part of the Department's mission is to develop networks with the private and nonprofit sectors to promote the arts.[2]

In addition to the city government's work, community leaders since 2003 have been developing a formal, long-term plan to "build Providence's creative and innovative economy" by focusing on five industry clusters: bio medical research, knowledge creation, design and business innovation, technology (IT and creative elements) and arts & culture.[3] The plan was spearheaded by two nonprofits, the Providence Foundation and the Rhode Island Economic Policy Council, and a private consulting firm, New Commons. New Commons consultant Robert Leaver said the plan "was a first for the diversity of the people who created it together: artists, neighborhood types, scientists, policy types, and so forth."[4] The plan lays out 52 action steps over the next five years, including further research, grants for "emerging creative people," reform of education, increased funding for venture formation, and further development of the city's bike system.

With the strong connectors indicated, Providence appears to be well positioned to continue building assets, thereby building the foundation of its creative economy. Consistent leadership has allowed for sustained focus on the city's cultural amenities and how they may be leveraged for economic growth. Formalized networks have encouraged broad participation by community members in the development process, which suggests a base of support that will help to sustain its development efforts. Finally, the well-planned, long-term strategies of both the city and the community show broad commitment that increases chances of sustainability and impact.

Portland, Maine

Though smaller in scale, Portland's development path has been similar to that of Providence. Since the early 1990s, Portland (population 64,249) has also championed its cultural institutions, artistic community, and other amenities as a means to revitalize a declining downtown economy. The key differences lie in where they stand in their current efforts: where Providence has a strong set of connectors helping to ensure continuity and sustainability, Portland appears to lack some of the leadership, networks, and strategies necessary to capitalize more fully on the city's creative economy.

Like Providence, though perhaps slightly less dramatically, Portland experienced several transformations in the 1980s and 1990s designed to leverage the city's cultural assets into economic growth. Highlights included: the development of a working waterfront that blends the fishing industry with retail and tourism; the preservation of the city's historic architecture to include the Old Port, a downtown retail district filled primarily with locally owned shops; the designation of an arts district; the creation of a hike/bike trail system; and the restoration of the city's 1,900-seat performing arts auditorium. A cultural census of Portland conducted in 1995 counted more than 340 arts employees with an annual payroll in excess of $9.8 million, concluding that cultural activity is uncharacteristically high for a city of its size.[5]

Today, the city is commonly cited as an example of a thriving center of creative activity, evidenced by a number of creative assets:

- Maine College of Art, an expanding art school offering degrees in graphic design, new media and the traditional arts. Informants say the school's students contribute to one of Portland's primary assets – a "community of artists." The University of Southern Maine also offers education training in the creative sectors, with one of the nation's first degrees in arts and entrepreneurship;
- A growing number of creative sector businesses filling previously abandoned storefronts and offices, including business anchors like Angela Adams design store that help spur a number of retail openings on the city's Munjoy Hill and Bob Ludwig's Gateway Mastering studio that employs highly skilled people in the recording industry;
- A wide variety of visual and performing arts institutions, from contemporary art spaces and small performance halls to large institutions like Portland Museum of Art, Portland Symphony Orchestra, and Portland Stage Company; and
- The quality and variety of its restaurants.

Respondents said Portland took its first step toward developing the city's cultural assets when MECA purchased the Porteous building (a former downtown department store) in the early 1990s, when the real estate market made the building affordable. "That really started to turn around the decay," said one informant. "[The College] worked closely with the City Planning Department to make it happen."[6] Interviewees also said that the private sector was critical to the building purchase - a local bank, in particular. "These were all business people who were willing to commit sweat and money to make it happen. The building helped raise the profile of what the arts can do for the community."[7] "Once we started putting art into open store fronts, Betty Noyce got involved."[8] The Libra Foundation established by Elizabeth Noyce has been credited with investing close to $30 million in downtown Portland, purchasing several office structures and building the Portland Public Market, an indoor retail facility featuring local products.

In addition to Noyce, two other leaders have been identified as central to the city's redevelopment - former City Manager Robert Ganley, who supported the designation of the arts district and founded the Portland Downtown District, and former MECA President Roger Gilmore. Gilmore was not only instrumental in the building purchase, but also expanded an informal network of arts organizations, started by his predecessor, to found the Portland Arts and Cultural Alliance (PACA). In 1996, Portland City Council adopted a cultural plan that established the Arts District, designated PACA as the local arts agency, and funded a part-time administrator. "But, the city never fully funded a cultural liaison,"[9] Gilmore reported. Another informant said, "[PACA] had a lot of energy and worked together really well. We all worked toward a common goal: a strong economy downtown." [10] The executive directors of PACA and the Portland Downtown District also worked closely with groups like the Convention and Visitors Bureau to highlight the city's cultural resources as a destination for visitors. Today, though PACA still exists with volunteer membership, the city no longer contributes funding. One respondent said, "There's a sense that nothing's happening. It's lost its spirit. I think the city misses a beat without an organized cultural umbrella."

Despite this apparent lapse in leadership and public support, the outward signs still indicate a robust creative economy in Portland. An informal inventory of creative sector businesses in Portland's downtown recently conducted by staff at MECA counted more than 175 visual art-related galleries, studios, and shops located in office spaces above ground floor storefront shops.[11] MECA is expanding their curriculum to new media and providing students with more business training to help prepare them for the possibility of sustaining their own creative sector business. "There's an opportunity for MECA and the region to tap into its design resources, both at the school and among the many designers who are moving to the Portland area."[12]

Without the necessary connectors to tap into Portland's potential enhancers, the question becomes, how long can the city's creative economy sustain itself, and what potential development is the city passing up?

Bangor, Maine

To an outside observer, Bangor's economic development derives from a broad base of creative resources: at another level from Providence and Portland, it still has all of the assets, connectors, and enhancers for economic growth that comprise the working model. Looking from the inside out, people report mixed opinions about Bangor's economic advantages. Residents of the "Queen City" (population 31,473) are keenly aware that "more people, more money, and better geography"[13] lie to the south in Maine. Yet they also speak proudly of the city's role as the "cultural center for everything north of Waterville."[14]

Bangor has purposely chosen cultural amenities as its foundation asset for economic development. The most visible signs that demonstrate the power of the arts in its growth are the cultural attractions clustered in the heart of downtown: the Maine Discovery Museum (a children's museum), University of Maine Museum of Art, Bangor Public Library, Bangor Symphony Orchestra, Penobscot Theater, and Bangor Museum and Center for History. Thirty years ago urban renewal and a growing number of vacant buildings made the downtown a sorry sight. The dwindling street life and blighted streetscapes were part of a vicious circle: more empty buildings, less tax revenue for municipal services to support the diminishing number of businesses, less reason for people to come downtown, less hope to break the cycle.

The initial goal was broad—to bring back life to downtown—not a narrow focus on cultural attractions. Skeptics questioned how tax-exempt cultural organizations could help fill city coffers even if they filled empty spaces on Main Street; the City Council's initial support for the arts was described as "backing into it."[15] Fortuitous timing helped, but an influx of money was the true enhancer of these assets. With a surplus of discretionary funds resulting from the boom decade of the 1990s, the City Council could offer financial incentives to the cultural anchors without having to cut services or raise taxes, actions that might have quickly cut public support for the arts.

Lobbying for that leap of faith was one leader, architect John Rohman. All informants describe Rohman as the chief champion of the idea that "life" downtown was more than retail stores. Rohman's resume of civic engagement encompasses positions in city government, at the Chamber of Commerce, and on the boards of many nonprofit organizations. Behind virtually every measure of an enhanced "quality of life" in Bangor—more restaurants, more apartments for downtown living, a hike/bike trail system throughout the city center, job opportunities to attract younger professionals—is his central role as the connector.

For the arts community in particular, Rohman's vision carried the day: the City invested public funds as seed money to help cultural organizations establish a presence downtown. Perhaps most notable as a harbinger of future partnerships was a town/gown collaboration with the University of Maine to move its art museum off campus, enticed in part with $400,000 in matching funds from the City Council. The museum opened at its new location late in 2002. The University, some six miles distant in Orono, represents another strong asset for Bangor. Discussions with other University departments to provide R&D functions and incubator space for "creative" industries are now an element of economic planning.

Bangor's example illustrates the importance of time in the model. By Rohman's calculation, people in Bangor have been thinking about their creative assets as engines for development for thirty years. It took that long to transform attitudes regarding the economic value of the arts, a change in outlook that in some respects is still in transition:

- The cultural community was slow to establish networks that would draw them to each other, let alone act as magnets for cultural tourism. "We had a lot of players out there who did not even know they were part of [a creative economy]."[16] Bangor's prestigious role as host of the National Folk Life Festival for a third and final year is now underway, a solid indication of Bangor's growing ability to attract creative enterprises; but none of the cultural leaders could articulate a clear plan to build on the Festival's success.
- During the spring of 2004 Bangor's City Council solicited public comment on a new cultural policy to develop protocols for future funding requests. Planners say it is not inconceivable that the new policy might provide the basis for annual appropriations in the future. For the moment, they doubt that a dedicated budget line will take the place of discretionary funds, despite strong indications that such investments have proved worthwhile.[17]
- The local Chamber of Commerce cheerfully credits Bangor's recent economic growth to the cultural community. However, neither the "creative economy" specifically nor arts and culture in general are included in the six policy areas targeted by the Chamber's Governmental Affairs Committee in 2004 as critical to the economic vitality of eastern and northern Maine.[18]

An observer is left with the impression that, even after thirty years, the extent to which the arts will remain a primary asset of ongoing economic development in Bangor will take constant effort, an observation respondents share as well. The new cultural policy could yield important infusions of cash to help increase the density of networks; the policy strongly encourages collaborative applications. Overall, Bangor's effort is on an upward path.

Burlington, Vermont

Like Bangor, Burlington (population 38,889) has invested in its cultural resources and access to the natural environment as key drivers of economic growth for decades, since the early 1980s. Highlights include the development of the Church Street Marketplace, which received a 1997 award from the National Trust for Historic Preservation, in part for a successful public/private partnership that brought city and business interests together. The city-designated district blends rental housing, local and national retail shops, and spaces with cultural attractions, restaurants and entertainment to create a pedestrian-friendly outdoor mall attracting approximately three million visitors each year.

A recent addition to Church Street is the Firehouse Center for the Arts, an historic firehouse donated by the City that, once complete, will feature classrooms, galleries, studios, and an artist resource center. Across the street is the Flynn Theatre for the Performing Arts, a 1930 vaudeville house restored in the 1970s by a group of citizens who transformed the theater from a movie venue back into a live performance space. After raising $8 million through capital campaigns in the 1990s, the Flynn now features a fully renovated Art Deco main theater, a smaller performance space, studios for classes, and an art gallery.

The city's proximity to natural resources for recreation was consistently identified as a key asset by interviewees.[19] Located next to Lake Champlain and the Adirondacks, Burlington has invested in a waterfront makeover, featuring a community boathouse and park, a science center, a hike/bike path, and restaurants. A forthcoming redevelopment project will incorporate an inn, black box theater, movie theater, and retail/office space.[20]

In addition to cultural amenities, Burlington's centers of education are another strong element in the model. The University of Vermont and three colleges act as magnets for young, educated people from around the country, supplying over 14,000 of the city's 39,000 residents. A brief stroll down Church Street provides clear evidence that the young adult population is a key contributor to the city's lively nightlife, art galleries, "hip" coffee houses, and "off beat" shopping. One interviewee noted that despite the region's continual problem with "brain drain," the out-migration of high school and college graduates, there are examples of UVM graduates who have remained in Burlington to start their own creative sector businesses. UVM and the other colleges also supply classes and training to support creative industries, including media arts, agriculture and the applied arts.

Interviewees pointed to a number of businesses that are contributing to Burlington's creative economy by employing creative people, increasing productivity in creative sectors, and serving as magnets for other businesses. In 1979, UVM graduate Steve Conant founded his solo metalworking shop in the Pine Street neighborhood, a blighted industrial area. Conant Custom Brass now has 30 employees, a retail store, restoration shops, and a manufacturing facility. Resolution, Inc. also started out in 1982 in Burlington's South End as a 5-person audio duplication facility. Today, with 300 employees, the company has grown into a national management and distribution center for publishers, broadcasters, and other media industries. Pine Street is now a hub of retail business, artists, residential properties, and industry, called the South End Arts and Business District, or the "Creative Corridor." Visitors will see an array of artisan shops, marketing services, Web design and photographer studios intermingled with restaurants, retail shops, and traditional industrial companies.

Noted for its high level of civic participation, networks among Burlington's private, public and nonprofit sectors are active and strong. The South End Art and Business Association (SEABA), a nonprofit founded by Pine Street business owners and artists, represent 70 members who promote the area's unique blend of commerce and culture by working with businesses and the city. The group's annual Art Hop brings customers to the area by featuring the work of local artists at various business locations.

Another network that typifies the arts and commerce connection is the Creative Commerce Group – an informal group of community members whose focus is to stimulate partnerships between business and the arts. As an example, one member pointed to a potential partnership between a cement company and Burlington City Arts to create public outdoor ornamentation in the city.[21]

Consistently identified as instrumental to the development of Burlington's creative economy is the city's progressive leadership, led by former mayor Bernie Sanders (1981-1989) and current mayor Peter Clavelle (since 1989). In his first year in office, Sanders took on a "lightning rod"[22] issue among city councilors by advocating for the creation of a city arts council. Today, Burlington City Arts is both a City Department and an independent local arts agency for the county with a $375,000 budget, 15% of which comes from the City. For more than 20 years, Burlington has integrated cultural amenities directly into its overall economic and community development strategies. The City's economic planning efforts managed by its Community and Economic Development Office have called for development of more cultural facilities, provided loans for small business development and supported artists live/work studios, to name a few. With consistent leadership, growing networks, and long-term strategies, Burlington appears likely to continue its progress in developing its creative economy.

Dover-Foxcroft, Maine

Where a cluster of cultural organizations supports economic growth in Bangor and Burlington, the role of the arts in Dover-Foxcroft's development (population 2,592) is central in just two projects, both still in the realm of possibilities. The Maine Highlands Guild, an artists' cooperative, is completing its first year of partnership with Moosehead Manufacturing, the town's largest employer, in operating the company's outlet store. Located on Main Street, it provides a gallery for area artists and crafts people along with quality wooden furniture. As a focal point of downtown, the store will soon share the spotlight with the Center Theater directly across the street, the second arts-related project. The theater is being restored to its Art Deco glory and will be home to both live performance and films. Supporters of the theater restoration project have raised almost one million dollars; other than this (not insignificant) contribution, its long-term economic impact on the town, like the outlet store, is unknown.[23]

Unlike Bangor and Burlington, the assets, connectors and enhancers of the creative economy in Dover-Foxcroft are more tentative and fewer in number:

- Penquis Higher Education Center, part of Eastern Maine Community College and the University of Maine system, recently opened in the former elementary school that had closed through regional consolidation. It provides the training and certifications desired by workers who are in transition from lost manufacturing jobs—and by area employers seeking to hire them—in fields such as health care professions, early childhood development, and computer technology. School administrators believe that the challenge is "lack of exposure, not lack of aspirations." Their goal, one they acknowledge will be difficult to attain, is for every resident of the County to pass through their doors in the first five years, if not as a student then for a community meeting or event.[24]

- Amenities include the new theater, two restaurants, the East Sangerville Grange (a beautifully restored community hall, offering a monthly coffeehouse with live entertainment from November to May), and a superb natural environment. As staff members at Mayo Regional Hospital put it, describing their recruitment pitch to physicians and their spouses, "the outdoors gets them to look; the sense of community gets them to stay."[25] Even the strongest cultural supporters candidly admit, however, "A couple more restaurants alone won't do it. Restoration of the theater by itself won't do it."[26] Or more bluntly, "Arts for arts' sake won't cut it."[27]
- Networking systems have strong historic roots—the towns of Dover and Foxcroft merged in 1922; and local movers and shakers all see eye to eye. The challenge is not to take the networks for granted. "Working together is learned behavior."[28] Community leaders joke that all the committees in town should meet at the same time, since they involve mostly the same people, but beneath the humor lies a potential for exclusivity and an increased risk for burn-out.
- Moosehead Manufacturing takes its role in economic development seriously. An emphasis on the well-being of the work force has been its standard practice for three generations of family ownership. "If you truly care about the community, you care about all of it," says John Wentworth, grandson of the company's founder. Moosehead Manufacturing's crucial role in supporting a creative economy seems all the more fragile because it is the sole business anchor.

Dover-Foxcroft's strongest element in the working model is leadership. The East Sangerfield Grange was a project of community revitalization and rejuvenation, even more than a structural restoration. Leadership came from a group of artists who joined together to carry out their vision of the kind of community they wanted to live in. "We knew what we wanted to do and did it."[29] Almost twenty years after the project began, the new grange has fifty active members who may not always remember the passwords and rituals but who regard their Hall in the same light as members of the original Patrons of Husbandry did a century ago: as a vital center for the community's "quality of life." The key person today with vision and ability, according to all informants interviewed, is Tracy Michaud Stutzman, a native of Dover-Foxcroft. Under her leadership as Executive Director, Maine Highlands Guild won the National Social Venture Competition in 2003, an award for its commitment to social returns on community investment. She has brought half a million dollars in development grants to the area, an amount that people twice her age would be happy to match over their lifetime.

Missing altogether is the kind of resource that any economic development program needs: advantageous physical location (no easy access to interstate highways or airports); its remoteness must, then, be translated into a strength. Also lacking are long-term strategies. Networks that began as long as twenty years ago are working on an informal basis, but policies geared toward fostering longevity are not yet in place. Perhaps because of these qualified or absent indicators, Dover-Foxcroft remains more inward looking than Bangor or Burlington in its approach to the creative economy. The emphasis to date has been on community development with positive economic returns just beginning to present themselves as possibilities.

Pawtucket, Rhode Island

Pawtucket stands in sharp contrast to the previous five cities and towns that have been cultivating their creative assets for decades. Located five minutes north of Providence on Interstate 95, this "hard-scrabble" city of 73,000, formerly called "The Bucket," has taken a fast-track approach to developing a creative economy. Since his election in 1998 Pawtucket Mayor James Doyle has concentrated on building the city's creative assets as a means to change its image, attract creative workers, revitalize its economic base and fill its abandoned mills.

The city's rapid, dramatic transformation is credited to both Mayor Doyle and Herb Weiss, the city's economic and cultural affairs officer. In its 2003 "Best Small Business Practices" the US Conference of Mayors acknowledged the City's efforts to create an arts-friendly environment for arts and creative sector businesses relocating to the city. In 1999, Mayor Doyle created Rhode Island's largest 307-acre arts and entertainment district with state tax credits. State sales tax is not accessed on any original or limited edition art work sold with the district; artists who live and work in the district are exempt from state income tax on income generated from their work. The City also implemented a customer service strategy to attract graphic designers, photographers, interior designers and traditional artists into live/work studios. "I work hard to get the word out. They've hired me to be their cheerleader. When people see me, they say: 'Mr. Pawtucket is here.' Even with these tax incentives, a lot of time and energy is needed to educate the arts community."[30]

Weiss acknowledges that Pawtucket's success is due in part to low rents and its proximity to Providence's colleges and universities. "We realized our assets were 23 mill properties with space to fill." He also points to specific strategies the City has adopted – City departments working together toward the same goal, state tax credits for artists, federal funds for affordable live/work spaces, new zoning laws and friendly customer service. "What the experts tell you takes at least 10 years, took us 5," said Weiss. Today, the city estimates that between 400 and 500 artists and musicians live in the city, and over 850,000 square feet of historic mill space have been restored into live/work lofts and studios. Weiss says Pawtucket's image is improving, and the business community is starting to support the arts through events like the annual Arts Festival. "People are now proud that we're an arts destination."[31]

Other recent additions to Pawtucket indicate how the city is continuing to invest in cultural amenities. The Sandra Feinstein Gamm Theater relocated from Providence to be part of a new 40,000-square-foot Performing Arts Center located in the renovated City Armory. Stone Soup, a well-established coffee and folk music shop, left Providence for Pawtucket and now shares a space with an arts center created by the Pawtucket Boys and Girls Club. Property owners in Pawtucket's downtown have listed seven properties on the National Register of Historic Places to create the "Exchange Street National Register District."

To keep the momentum going, the City is also working to enrich other cultural amenities like restaurants. It has recently implemented a "Restaurant Initiative" with a revolving loan fund to help start-ups. Other initiatives include hiring a consultant for a creative city roadmap, working with developers to encourage mixed-income housing, creation of a city arts fund, a resource director for artists and a public mural. In a relatively short period of time, Pawtucket has progressed along the working model and is quickly moving away from the early stages of identifying assets, developing connectors, and contributing what time and money they have available. Of the eight cases, Pawtucket may be the one implementing an approach to their creative economy with the most deliberate, focused strategies and with the most momentum.

Norway, Maine

In Norway (population 4,611), it may be today's youth who reap the benefit of start-up efforts to develop a creative economy. Fifty years ago you could get everything you needed on Main Street. Today, people see a place to get a cup of coffee again as an important first step, applauding the owner's decision to move the Fare Shares Co-op store from a side street to the main drag. "It's a shining beacon, a tremendous boost for the promise and hope of Main Street."[32] In the same block, The Commons has opened, offering community meeting rooms and gallery space for artists.

The Commons is tangible evidence of Norway's strongest development element, its regional networks. People are proud of the traditional ties shared by seven small towns: "We have true collaborations, not just in name only."[33] They cite that cooperative spirit as the major contributing factor—four years in the making—to bring a new community college to the area. A more formal network is represented by Enterprise Maine, a consortium of community-based non-profit organizations and for-profit subsidiaries in rural western Maine. For almost a decade, Enterprise Maine has worked to create economic opportunity and enhance quality of life by focusing on entrepreneurship.[34] Located in neighboring South Paris, its strategic priorities for 2003-2004 include business, community, workforce, financial, and real estate development.

Both formal and informal, Norway's networks appear solidly positioned to link the "building blocks" of a creative economy, one that will remain incipient for perhaps another ten years. Other assets and connectors, while they have strong potential, are still emerging:

- The new community college has just opened its doors and has yet to prove it can provide the kind "creative" training that entrepreneurs lured by Enterprise Maine might want in the work force. However, local artists firmly believe that art education in K-12 schools over the past decade has been instrumental in raising public awareness of the importance of the arts, helping to create a receptive climate to a creative economy.
- One of just six towns in Maine selected to participate in the Main Street program, Norway is already benefiting from the presence of Norway Downtown Revitalization, an organized effort to build the local economy by rebuilding downtown. Consultants brought in through the program have helped identify important assets for economic and community development, and outlined the strategic planning process that will be needed. Still, the commitment to participate in the Main Street program as a formal development strategy is less than two years old.
- Amenities based on the arts, the natural environment, and the built environment will be Norway's best assets for development.[35] Main Street in Norway has been described as one of the state's least disturbed collections of nineteenth-century architecture,[36] exactly the kind of living/working spaces with "character" that creative-types seek out.

However, the future of the Opera House, the town's prime landmark and centerpiece of any restoration program, is uncertain following its recent sale to a new owner.

- On the art front, Norway Downtown Revitalization took the lead in expanding a long tradition of small seasonal art shows into a new, larger, and highly successful event in 2003, the Norway Summer Festival. Described as "a magical day," it was nonetheless a surprise to the volunteers who pulled it off regarding the work and energy the event required at its new level.[37]

Norway has paid attention to some of these creative economy components for as much as ten years; but without major financial resources behind them twice that span of time appears necessary for economic development to take root. For example, a showcase on Norway's Main Street for Maine-made products sponsored by Enterprise Maine opened and closed quickly, evidently a premature attempt to attract cultural tourists despite almost a decade of effort leading up to it.

Other components of the creative economy are missing altogether, such as proximity to major highways or airports, businesses willing and able to assume the role of anchors, and leadership. A critical mass of creative people is still building in Norway; leaders now waiting in the wings may step up as elements of a creative economy continue to emerge.[38] Their first task will be to forge a common vision. Speaking of the short-lived Maine-made experiment on Main Street, one respondent said, "What we needed was another Newberry's, not a high-end store with a T.J. Maxx makeover selling products only the wealthy and tourists can afford."[39]

Leadership and strategies must be in place to overcome the sense of despair that some informants mentioned, describing a more vibrant community of fifty years ago that area residents still mourn. "You choose to be here and you'll make it work,"[40] a sentiment offered by one artist, suggests that the process is underway.

St. John Valley, Maine

People interviewed in the St. John Valley (estimated population 14,000) —Francophone and Anglophone, younger and older, native-born and "from away"—all share a sense of excitement about recent events: the transformation of Loring Air Force base in Limestone into a concert venue; a world-class facility in Fort Kent for winter sports like the World Cup Biathlon; and a proposal to establish a statewide magnet school for French language. At the same time, informants unanimously acknowledge the absence of conscious intent to incorporate these events into a formal development strategy. Indeed, they agreed, buzz words like "creative economy" don't even reach the Valley: "It's a complete non-concept up here,"[41] perhaps because media outlets don't reach the Valley. "People here don't buy or read the Bangor Daily News, or even the local paper."[42]

The Valley qualifies as the most rural of the eight cases studied. Its Acadian heritage also distinguishes it within the group. Because of its isolation and distinctive culture, references to an entirely different reality were never far from the surface in any conversation. Respondents unanimously agree that French culture is the Valley's greatest asset, and not only for its *joie de vivre*. The Valley's economic potential rests in the larger market including the Maritime Provinces and Quebec. People in the Valley would welcome creative development ideas from either country, despite the extra challenges that they know are posed by international policies, because of their fierce attachment to a heritage that spans the border.

More than any other case, the need to identify assets and forge connectors within and without the region may be seen as a pre-condition for creative economic development. Valley residents talk about ambivalence toward their history: abandoned by France and rejected by British Canada, lack of cultural self-esteem impedes networking. "We need to put value on what people do to make them feel better about their own culture."[43] Communication problems are just as evident in Augusta, where Valley voters point to ignorance and/or indifference on the part of the legislature. "The Valley is a part of the state without political power."[44] A feeling of exasperation and defeatism for some even extends to the region's primary center for higher education, usually considered an asset for a creative economy. In terms of providing support for development, informants leave the impression that the University of Maine-Fort Kent is too small and ineffective: "They're talking the talk but not walking the walk, providing a means of escape from the Valley [not programs to sustain it]."[45] (This attitude may change as the University begins to put in a place a new mission; see below.)

The Valley at present has few strong elements of the creative economy model and respondents bring up qualifiers or limitations even for those emerging assets and connectors that have the most potential:

- By necessity, the Valley's cultural tradition encourages enterprising people. "The Valley used to be nothing but entrepreneurs—you had to be to live here."[46] Rather than spending time and money on resources that would attract entrepreneurs from away, some informants spoke of the need to support traditional cottage industries: flax and papermaking, carpets and rag rugs, and a more diversified agriculture.[47] Others suggested the solution is not a simple infusion of funds for their revival, but a more difficult change in outlook. "All that entrepreneurial spirit dried up when manufacturing came in [now gone] and people became dependent on it for their livelihoods."[48]
- At the University of Maine at Fort Kent, a new mission statement emphasizes a threefold teaching and research focus on Acadian culture, the environment (including winter sports), and rural sustainability. It is too soon to judge its effectiveness, but the University will face two impediments as it seeks to implement the new mission: mixed reviews on the school's commitment to economic development, and a culture that prefers "go-along-get-along, not putting on airs, common sense over academic pretensions."[49]
- A cultural assessment of the Valley recently funded by the National Endowment for the Arts concludes that arts and culture are the assets that can combat out-migration, erosion of the language, and a declining economy. Stunning natural assets—"winter is now white gold"—also have strong potential,[50] but these quality-of-life amenities remain largely untapped so far.
- Informal networks of voluntarism are alive and well in the Valley, accomplishing many small projects in both the arts and social services: "Grassroots is where it's happening."[51] The sense of a shared heritage is not only a cultural asset, but is itself a kind of broader network: an important connector in the creative economy model. Before its potential

may be unleashed into proven delivery systems, however, respondents speak of the necessity of building trust, faith, and alliances, on two levels.[52] Within the Valley, informants mentioned past instances of cultural organizations squabbling among themselves ("who is the most Acadian?"), and thereby losing a major federal grant.[53] Between the Valley and the larger economy in which it functions, "there has to be personal contact to make the creative economy happen. You don't parachute into a community with a concept that will 'save' it."[54]

In addition to these challenges, other components of the creative economy model are simply absent. A glance at any map suggests a few of the most important: geographic isolation, distance from markets, and poor access to primary transportation routes. The existing roads are often in poor repair. It wasn't until a representative from southern Maine found himself on a school bus in a snowstorm in the Valley (as part of a get-acquainted program for newly elected officials sponsored by the Maine Development Foundation) that he "got it:" the disturbing number of accidents in the Valley is directly linked to unsafe roads, and the lack of state funds to improve them.[55] Scarcity of business anchors compounds the difficulties. The same cultural assessment that inventoried a wealth of potential assets in the arts also identified lack of funding, strategies, and leadership as chief obstacles in using those assets for economic and community development.

Perhaps because the World Cup Biathlon was just concluding at the time of our interviews, optimism nonetheless prevails in comments about the creative economy. "The Valley is in an enviable position;" "people here are ripe for it;" "it *can* happen here."[56] Ironically, the deep love of Franco traditions presents an extra challenge to economic development. As much as growth presents a welcome opportunity to reverse out-migration of young people, informants see a real risk: an unintended consequence of greater prosperity might be accelerated loss of the culture, itself. Economic development must "preserve what is special and do the least damage."[57]

Findings and Recommendations

The developmental model presented above (what we have referred to as the ACE Model) demonstrates the key role of *connectors* as the critical variables of the creative economy in these eight cases. Development of the five basic *assets* depends on the presence or absence, strength or weakness, and combined effects of leadership, networks, and strategies. The connectors influence and determine the effective use of *enhancers*: strong leadership can shortcut the length of time to see results (as in Pawtucket); poorly developed networks can erase the windfall of a federal grant (as in the Valley).

What we learned about the creative economy in small cities and rural towns may be summed in the following four points:

1. <u>Creative assets vary greatly from place to place</u>. As the cases illustrate, the presence of creative assets is not limited by population size. Smaller places may have fewer creative people, smaller centers of education, or greater distance from major highways or airports; but diversity appears more important than the relative size or strength of the assets. Two restaurants, one theater, and a community college in Dover-Foxcroft may

have the same impact on local economic development as two dozen restaurants, seven cultural organizations, and the nearby University of Maine in Bangor. The diversity of assets is the underpinning for each location's "authenticity," a term we heard over and over from respondents. It argues that the creative economy will not have a uniform look across rural Maine or New England.

2. Strategies for resource leveraging also vary. The model of assets, connectors, and enhancers imposes a structure that helps to make sense of the process, but as the cases show, application of the model shows considerable variation. Each community has focused on different combinations of assets and on different ways to connect them. More dense and formal connections tend to develop through the enhancers. Even without time or money, however, the case studies reveal a variety of strategic applications that contribute to development.
3. Asset identification appears to be the essential first step. It is the one common point in the model shared by all eight cases. Where assets are emerging or absent, usually in the smaller places, the next steps of connecting and enhancing them to sustain, grow, and acquire more assets has not been taken, or are relatively recent efforts. Again, the size of the asset base by itself is not a predictor of where a town may be on the model. Dover-Foxcroft, for example, has more in common with Pawtucket than it does with the other rural cases in terms of the relative strength of its connectors and how it is using them.
4. Sustaining the creative economy is a challenge. Gentrification can thwart continuing development efforts, especially in cities that have been through the cycle in the model more than once. As these places draw greater economic activity to their downtowns and blighted industrial areas, property values and rents increase, making it more difficult for artists and small local businesses to remain. In Burlington's South End, where business and artists are attracted to the neighborhood's "interesting, funky" atmosphere, the city is tightening zoning laws and has plans to make physical changes to upgrade sidewalks and lighting—a change one informant fears might alter the neighborhood's original appeal. As noted above, respondents in the Valley are already concerned about future sustainability, even as they are just starting out: how will they sustain the creative assets that leverage economic development without losing them in the process?

We conclude with five policy recommendations:

1. Encourage asset mapping. Asset identification is critical, and not only to enumerate the potential universe of resources. Finding authenticity—what is unique and special, singly and in combination—is an important goal in identifying a community's assets. The arts have received the closest scrutiny in the literature, and in many of our cases have taken the front seat as the principal economic driver. Our research suggests that the built environment (historic preservation) and the natural environment can offer the same stamp of authenticity; taken together, they create the individual identity of a place that draws people to it.
2. Encourage regional approaches. Size can be offset by operating to scale and, especially, by taking collaborative approaches to development. Proximity to Providence is a clear benefit for Pawtucket; an abundance of creative-types five minutes away in need of cheap studio space was the genesis of the creative economy there. Norway is proud of its close ties to six other towns in the Oxford Hills. Dover-Foxcroft intentionally markets itself as part of the "Maine Highlands." The Valley has cultural links that span a large swath of Maine and nearby Canada. Each of the three most rural cases is deliberately

pursuing its historic regional connections to its advantage, as it develops a creative economy.

3. Identify and cultivate leadership. In each of eight cases, efforts to develop the creative economy were initiated by one or more leaders and sustained by their continuing commitment over a period of years. These leaders are necessary for the vision and sustained motivation behind community efforts. They help communities understand the importance of the creative economy and encourage engagement of people from the public, private and nonprofit sectors.
4. Build and extend networks across sectors. Bangor is inaugurating a cultural policy that will support nonprofit organizations with public funds. Dover-Foxcroft has a key partnership between a private company and a non-profit artists' cooperative. Burlington's South End Arts and Business Association is a nonprofit that encourages businesses and artists to work with the City to sustain the creative sector in its neighborhood. Providence's Call-to-Action involves broad stakeholder involvement from public, private, and nonprofit sectors. Connectors that transcend sectors stand the best chance to ensure the longevity of a development effort and broaden its impact in the community.
5. Develop and implement strategies. Key elements among the connectors are the explicit strategies that communities adopt to support and sustain their creative economies. These strategies go beyond single, isolated policies such as tax breaks for artists that may or may not have an impact on the economy. Instead, they are long-range approaches involving a multi-faceted plan for developing a creative economy. For instance, in Pawtucket, artists didn't know about tax break opportunities until the City adopted a "customer-friendly" strategy to promote incentives, and help creative workers find live/work spaces in the city.

It is worth noting that all eight cases have participated in some process of asset mapping. In Maine, the Discovery Research program sponsored by the Maine Arts Commission was the vehicle. Discovery Research assists communities in identifying and developing their cultural assets with public funds that must be matched through cash or in-kind donations from the private or non-profit sector. The program thus encourages the creation of networks that will be needed for strategic thinking about those assets and planning for their enhancements. The diversity of assets discovered through this important program suggests that the creative economy in Maine may well look very different from town to town and region to region, but will be well-grounded in creative resources.

Next Steps for Research

As noted above, at some point the creative economy, operating according to the ACE model, may become self-generating; but more research is needed to improve our understanding both of the individual elements that comprise the ACE model and the varying levels of development that communities are experiencing.

- Further definition of the 10 elements or "building blocks": The elements identified for this report came from a limited literature review and set of cases. Additional case studies would allow for more complete definitions of each element and a greater understanding of how the elements manifest themselves. Further study may also discover new elements to consider for the model.

- Identification of the various stages of development. Our proposed model represents a closed system that does not adequately illustrate the various levels of development communities is experience. Our cases represent creative economies that range from nascent to highly developed. Additional case studies would allow refinement of the proposed model by identifying and defining the various stages that communities experience as their creative economies develop.

Notes:

Appendix 3: Annotated Bibliography (prepared in connection with Section 3)

The literature reviewed for this research affirms that the creative economy is an emerging field of study; few authors in the sources consulted used that phrase to describe a broad array of development activities. Some writers are concerned with the creative worker, others with creativity as a process (e.g. development models that are "holistic," "ecological," "synergistic"). In some articles the terms "knowledge economy," "new economy," and "information economy" appear to be interchangeable with "creative economy," at least in the underlying assumption that all imply a shift from handwork to headwork as the basis of production. Likewise, the creative economy seems to share with other models of economic measurement and promotion (such as "smart growth," "dynamic resources development," and "cluster development") the desirability of crossovers and interconnections between public/private/nonprofit sectors. The creative economy has particular resonance with those who work in and write about arts and culture, in all three sectors, because it validates that art has economic value both as industry and amenity.

The following annotated bibliography summarizes the key articles that informed our thinking as we considered which cases to choose. This survey also provided the initial inspiration for developing the Asset-Connector-Enhancer model to help us understand what we heard from respondents about the creative economy.

Eric Abdullateef**, "Developing Knowledge and Creativity: Asset Tracking as a Strategy Centerpiece**," Journal of Arts Management, Law and Society, Fall 2002 Vol. 30 Issue 3.

This article looks at creativity through the lens of copyright industries and intellectual property engines, using creativity economy and knowledge economy as synonyms. The author rambles and offers some banal insights: "Creative individuals gravitate to areas where rent is cheap, zoning is flexible, and the community shows commitment to a good school system." "Many creative communities seem to spring up near universities where learning and growth are woven into the region's culture." Like the Stevens article on gap analysis and the Fulton and Newman article on smart growth, this piece purports to offer another tool for economic developers, this time called "dynamic resources development." Another parallels to Stevens is the emphasis on inventory of assets and downplay of amenity value.

Despite its flaws, this is the only article in the group under review that comments on a dual condition found in Maine: a graying population (little research has been done on the impact of age in attracting knowledge-based industries) and a large number of people from away (highly educated creative types are more likely to be mobile, perhaps balancing the young folks who leave behind the graying population). Also helpful are specific examples of ways that states can encourage a creative economy: support for triangular partnerships among universities, public sector agencies, and private sector companies; support for secondary and post-secondary education; and support for anchor companies that provide jobs, tax revenues, and employees.

Americans for the Arts, **"Building Creative Economies: The Arts, Entrepreneurship, and Sustainable Development,"** Special Report from a conference held in Asheville, NC, 2002 (March 2003)

The definition of the creative economy in this monograph is "sectors of the economy that include arts, cultural and heritage organizations, businesses, and workers--as strong revenue, employment, and quality of life generators, or 'creative industries.'" Compared to all the other articles under review, this monograph is the best "how to" blueprint. Judging from this monograph, it appears that the creative economy is an umbrella concept trying to accomplish two purposes: yet another way of trying to inject new life and ideas into the never-ending challenges of economic development; and for the arts sector, the creative economy is yet another way to shake a few new dollars from the shrinking forest of money trees. (Though Dorn would have us believe that the iron triangles are more interested in governmental subversion of the arts for the sake of the market.)

Charles S. Colgan et al, "**Assessing Maine's Technology Clusters**," Center for Business and Economic Research, University of Southern Maine 2002

Cluster theory as Colgan has applied it to Maine's emerging technology clusters has some potential for case study research. The emphasis on networking is one shared by several other writers in this group of articles but it is the classification scheme that may be particularly helpful. Which of Maine's communities, for example, might be categorized as "stars" (a creative economy fully developed with many variables in place) or "seeking direction?" (few or none of the variables present).

Charles M. Dorn, "**Arts Education and the Iron Triangle's New Plan,"** Arts Education Policy Review Vol. 103 No 1, September/October 2001

Dorn's critique does not begin with the assumption imbedded in most of the other articles in this group: that the use of cultural organizations in economic development is good for the arts and good for growth. He strongly argues against those who advocate a new paradigm (Arthurs and Hodsell, Wyszomirski) that equates the arts as an industry blended from commercial and nonprofit entities. The most helpful idea is Dorn's classification scheme for new research which looks at the universe of art as three cores: essential core (professional non-profit arts organizations), expanded core (ancillary cultural organizations), and periphery (for-profit arts organizations, unincorporated and avocational activities, artists). The different variables that contribute to the creative economy in a community might be classed in a similar scheme of expanding circles (rather than overlapping) circles.

Richard Florida, "**The New American Dream,"** The Washington Monthly Online, March 2003

Florida's chief contribution to the literature is his assertion of what is important to creative workers, his reminder of their mobility, the role of technology in that change, and implications for cities who want to attract them. To encourage development in such places as part of a national policy, Florida calls for: an education system that develops and harnesses the creative talent of all people; a priority on increasing the number of creative jobs and opportunities; an expanded role by the non-profit sector; and an open society. Unlike his earlier work, this article points to a drawback of the creative economy: the growing cultural divide between the service class and the creative class.

This is an important point to remember, however, Florida's analysis remains flawed. He continues to place too much emphasis on the desires of knowledge workers, seeming to forget or ignore that service workers value cultural and environmental amenities as much as anyone else (even if they favor different kinds of art/music/entertainment). Under his recommendation about non-profit involvement, he blithely refers to an arena that has sparked strong debate among other writers: should non-profit organizations exist as the R&D arms for commercial firms? Florida seems to favor a role for non-profits that frees the market from having to maximize investor returns. Arthurs and Hodsell and Wyszomirksi would agree; Dorn does not. Simultaneously, unlike the other writers who have more experience and background with the non-profit sector, he seems to not to grasp that arts and culture organizations providing the amenities are very dependent on public or private support.

William Fulton and Morris Newman, **"The Arts and Smart Growth: The Role of Arts in Placemaking,"** Translation Paper #12, April 2003, Funders Network

Given the mission of the Funders' Network ("Strengthening funders' abilities to support organizations working to build more livable communities through smarter growth policies and practices"), the authors' bias toward "smart growth" is not surprising. For example, in the list of opportunities for funders, they clearly hope that art groups can become advocates for housing and retail development. And though they take pains to suggest quid pro quo measures, art groups are asked to accept the "reality check" of urban planning policy and private real estate investment (implying there may be times when such policy and investment might be contrary to the art groups' interests). Smart growth advocates are asked only to be more inclusive, to "turn to artists, arts organizations, and art patrons to understand the nature of their constituency." Fulton and Newman cite Robert Putnam and the concept of social capital but not the creative economy (by that term). They imply that using the arts in a smart growth strategy is different from using arts as a tool for economic development, neighborhood revitalization, social capital building in suburbs, or small town rejuvenation. The key difference appears to be policy but they are vague on examples. The case studies of non-urban areas using arts and culture for economic growth are especially helpful.

Barry Hessenius, **"Non-Traditional" Funding for the Arts,"** The Aspen Institute, Nonprofit Sector Research Fund Working Paper Series, Autumn 1998

This article is written from the point of view of arts and culture organizations, always in need of new revenue sources. It serves to point up that in the non-profit arts world, the idea of partnering with others in areas not traditionally related to the arts is nothing new. (Such partnerships in the quest to stay viable in times of declining economies dates back much longer than 1998.) The case studies in public health, criminal justice, families and so on could be fruitful areas of research but it requires acknowledgment that such social programs can contribute to community building, quality of life, and so on. How much of the creative economy is about small town rejuvenation? It entirely ignores the debate on whether such collaborations undermine the mission of the nonprofit organization, or whether the public sector has co-opted the private sector to solve public problems.

Partners for Livable Communities, **"The Creative City: Power for the New Economy,"** resource paper posted online at www.livable.com, publication date unknown.

This resource paper published online by the staff at Partners for Livable Communities responds to three questions: what are the characteristics of the new economy most important for cities, what are cities doing to meet the challenges and take advantage of the opportunities created by the new economy and what kind of leadership is needed to develop the creative city.

The paper outlines 12 "new economy characteristics" that cities need to address to be successful, including finding ways to attract workers, enhancing quality of life factors, developing relationships with centers of higher education, and building a state-of-the-art infrastructure. The paper also describes 10 categories of initiatives that different cities throughout the country are taking to achieve some of the outlined objectives. In their conclusion, authors emphasize the role of leadership and partnership to make initiatives successful.

Phil Psilos and Kathleen Rapp**, "The Role of the Arts in Economic Development,"** Economic and Technology Policy Studies, National Governors' Association Center for Best Practices, 2001.

This was to be the first of three "Issue Briefs" exploring effective integration of economic development and the arts (funded by NEA and the National Assembly of State Art Agencies. Per Dorn, the government's motivation for sponsorship of such studies should be questioned.) It uses knowledge economy and new economy interchangeably, but not the term creative economy. It cites the 2000 New England Council study on the creative economy but only for statistics on size of the arts sector in this region. It also cites Florida but only for his descriptors of "quality of place." Especially useful is the reminder that arts/culture is one of many variables. Strategies for Governors include:

- Encourage collaboration among the business community, state arts agencies, economic development, tourism and education departments to create a more integrated approach to public investments
- Evaluate and nurture culturally based industries indigenous to the state, especially in areas that have difficulty sustaining "imported" businesses due to lack of infrastructure
- Capitalize on the design of more people-friendly sites that encourage foot traffic and increased retail and commercial ventures
- Where high tech economies exist, use the arts to improve quality of life and attract new knowledge workers
- Work to eliminate stereotypical views of the arts and highlight their contributions
- Stay informed of innovation in the arts at the local level; future policy initiatives can be consistent with what is already occurring in communities.

Allan A. Schmid**, "Affinity as Social Capital: Its Role in Development"** <u>Journal of Socio-Economics</u>, 2000, Vol. 29 Issue 2

This article from 2000 was the precursor to "Is Social Capital Really Capital?" appearing in the <u>Review of Social Economy</u> in 2002 (co-authored by Schmid and two others). The abstract for the later article captures the argument better than the earlier piece: social capital should not be defined by "expressions of its possible uses, where it resides, and how its service capacity can be changed." *Such definitions obscure the utility of the social capital concept to* *bridge many disciplines* (emphasis added). Rather, when defined as sympathy, social capital "has many important capital-like properties including transformation capacity, durability, flexibility, ability to create other capital forms, and investment (disinvestment) opportunities." The question is whether social capital can be equated to the creative economy. The link may come from the "physical arrangements of living and working patterns." See also Fulton and Newman, linking smart growth to social capital, and Stern and Seifert, emphasizing networks.

The italicized sentence may be the key point: the creative economy concept has been adopted and adapted by so many disciplines seeking to apply it to further so many different agendas, it is desperately in need of consensus on a definition.

Louise K. Stevens, **"Using Gap Analysis as the Foundation for Economic Development through Arts and Culture,"** <u>Economic Development Journal</u>, Spring 2003

Though Stevens mentions Florida's book on the creative class, she never uses the term creative economy in this article. Her focus is on economic development and promotion of "gap analysis," the tool her firm, ArtsMarket, Inc., utilized in a study of Cincinnati. Like Venturelli, Stevens emphasizes the creative side of this particular tool, stating that the "cultural trust" model she calls for needs to be flexible, dynamic, autonomous, inclusive, outcome based, and visionary (i.e. not amenable to quantitative measures of success). Stevens believes few arts councils are able or equipped to work across multiple sectors (economic development, tourism, planning) but this parallels her belief that cultural assets are only part of the mix. That reminder is the most important point. Also helpful are her ideas on research (to interview convention and visitor bureau staff and arts journalists) and the three tracks recommended for Cincinnati. Although all of her examples are drawn from urban areas larger than any found in rural New England, at the core of those recommendations is the importance of coalitions. The "cultural trust" model could apply in any setting.

Mark J. Stern and Susan C. Seifert, "**Culture Builds Community Evaluation Summary Report,"** Social Impact of the Arts Project, University of Pennsylvania School of Social Work, January 2002

This was the final report evaluating an initiative funded by the William Penn Foundation to link its dual commitments to urban neighborhoods and to arts/culture. The project ran from June 1997 to February 2001 and funded 29 programs involving 38 organizations. Its goals were to expand cultural participation and strengthen community-based cultural organizations. The summary weaves in many of the concepts found in the other articles reviewed in this group without ever referring to the creative economy. Nonetheless, the idea of "community building" appears to be related to the concepts of social capital and smart growth, and to the role of arts/culture in "saving" urban neighborhoods. Two points are especially relevant. 1) The authors' conclude that an "ecological" model is best suited to policies meant to encourage community development. Though not well defined, they seem to mean a model that involves overlaps, crossovers, interconnections, and synergy. (See also Stevens' call for a "cultural trust" spanning many sectors and Venturelli's comments on linking the arts, humanities, and sciences in education.) 2) Networking is a key ingredient too often overlooked. Networking is the core concept of social capital. See also Abdullateef, Arthurs and Hodsoll, and Colgan.

Shalini Venturelli, "**From the Information Economy to the Creative Economy: Moving Culture to the Center of International Public Policy."** Center for Arts and Culture, Washington, DC (undated, the most recent citations are from 2000).

Venturelli sees no difference at heart between the information economy and creative economy, though she notes that culture and creativity are the distinctive features of the latter. The author's primary interest is intellectual property rights and free international access to them. Her summary of Western cultural traditions is a useful reminder that classical economic theory has limitations as a framework for the creative economy. Richard Florida makes a similar argument in urging political parties to wake up to the new importance of production and distribution of creative ideas and cultural products and the fading dominance of production and consumption of industrial products. Also helpful is her summary of what she believes policy goals should be to encourage the creative economy, in particular policies related to education and public/private investments in research and development.

Margaret Jane Wyszomirksi, **"Creative Assets and Cultural Development: How Can Research Inform Nonprofit-Commercial Partnerships?"** Journal of Arts Management, Law & Society, Summer 1999

This article lays out the debate over increased collaboration between the non-profit and commercial subsectors in the arts in the guise of neutral questions for research. However, the author's bias is clear in that the desirability of such partnerships is assumed. The debate in most writings centers on the relationship between the commercial entertainment industries (e.g. Hollywood, recording studios, printing and publishing) and nonprofit organizations but the questions could be extended to other realms of market activity, such as the economic rejuvenation of small towns. The most pointed question is, What definition of Art are we using? Segregated by subsector or more inclusive?

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[1] See Appendix 3, Annotated Bibliography
[2] "Vision for Art & Culture in Providence," November 2003
[3] "Call to Action: Building Providence's Creative and Innovative Economy," 2003
[4] Robert Leaver, CEO, New Commons, Inc.
[5] "A Cultural Census for the City of Portland, Maine," 1995
[6] Joan Fowler Smith, former development director, Maine College of Art
[7] Roger Gilmore, former president, Maine College of Art
[8] Joan Fowler Smith
[9] Roger Gilmore
[10] Joan Fowler Smith

[11] Jessica Tomlinson, Public Relations, Maine College of Art
[12] Christine Vincent, President, Maine College of Art
[13] Kristen Andersen, journalist with Bangor Daily News, University of Maine Class of 1997.
[14] Candy Guerette, Executive Director, Bangor Region Chamber of Commerce
[15] John Rohman, CEO of WBRC Architects-Engineers
[16] Susan Jonason, Bangor Symphony Orchestra
[17] Ed Barret, City Manager; Sally Bates, Business and Economic Development Officer
[18] Bangor Region Chamber of Commerce, Issues of Impact 2004. The six policy areas are: an economic corridor to St. John, NB; health care, higher education, regionalization, taxes, and transportation.
[19] Bruce Seifer, Assistant Director, Community and Economic Development Office, Burlington, Vermont and Doreen Kraft, Executive Director, Burlington City Arts
[20] City of Burlington promotional materials
[21] Doreen Kraft
[22] Bruce Seifer
[23] In the first six months, the store reported the highest sales receipts of any of Moosehead's outlets across the country. 55% of the customers came from more than an hour's drive from Dover-Foxcroft.
[24] Merlene Sanborn, Penquis Higher Education Center, Dover-Foxcroft
[25] Ralph Gabarro, Hospital CEO and Tom Lizotte, Director of Marketing and Community Relations
[26] Russ Page, manager of Moosehead Manufacturing Outlet Store, Dover-Foxcroft
[27] Tracy Michaud Stutzman, Executive Director, Maine Highlands Guild
[28] Merlene Sanborn
[29] Alan Bray, artist
[30] Herb Weiss, Economic and Cultural Affairs Officer, City of Pawtucket
[31] Herb Weiss
[32] Gail Geraghty, reporter for the Lewiston Sun Journal, based in Norway
[33] Gail Geraghty
[34] Brett Doney, President and CEO, Enterprise Maine
[35] Anne Campbell, Program Manager, Norway Downtown Revitalization
[36] "Final Report of the Resource Team Visit," prepared for Norway Downtown Revitalization by Maine Downtown Center, a program of the Maine Development Foundation, 2003
[37] Debi Irons, dancer and owner of Art Moves Dance Company
[38] One person named as a potential leader by Anne Campbell was Toni Segar, the artist who had conducted the Discovery Research process (a statewide program to inventory local cultural assets sponsored by the Maine Arts Commission)
[39] Gail Geraghty
[40] Debi Irons
[41] Lisa Ornstein, archivist at University of Maine at Fort Kent for the Franco heritage collection.
[42] Don Cyr, founder of Association Culturelle et Historique du Mont-Carmel in Lille
[43] Sheila Jans, Program Officer, Quebec-Labrador Foundation
[44] Don Cyr
[45] Don Cyr
[46] Judy Paradis, former State Representative and Senator
[47] Don Cyr
[48] Judy Paradis
[49] Judy Paradis
[50] Rosaire Paradis, State Representative
[51] Sheila Jans
[52] Sheila Jans
[53] Lisa Ornstein and Don Cyr
[54] Judy Paradis
[55] Judy Paradis
[56] Sheila Jans, Don Cyr, Judy Paradis
[57] Don Cyr