Creative Economies and Economic Recovery

Key Findings

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As we look expectantly toward a post–COVID-19 pandemic environment in the United States in 2021, many state and regional economies are struggling to recover from a pandemic-induced recession. Some areas are facing this endeavor while still trying to recalibrate from lingering effects of the Great Recession that occurred more than a decade ago. Even areas that managed to rebound from prior economic crises are now facing record-breaking unemployment, business closures, income losses and looming questions about how to reconstruct societal cohesion in the aftermath of the pandemic. Rebuilding and renewing an economy that will provide opportunity and prosperity for all is a colossal challenge, one that will require policymakers and community leaders to leave no stone unturned in their search for viable solutions.

To that end, **the arts and creative industries offer a powerful spark for states and localities aiming to reignite economic growth.** In addition to their ability to provide hope, solace and even joy during turbulent times, the arts can rekindle economic recovery after hardship strikes a state or community. Creative organizations and enterprises provide jobs and produce revenues. But they also help other sectors to blossom by stimulating economic activity in multiple sectors, attracting tourism and creating a climate conducive to business development.

**Mining Lessons Learned from Past Crises**

History offers us many useful lessons hidden within prior periods of crisis. To harvest these insights, the Western States Arts Federation (WESTAF) collaborated with the National Assembly of State Arts Agencies (NASAA) to conduct a series of case studies of 11 communities that harnessed the creative industries to fuel economic recovery following the Great Recession of 2008-2009. The study focused on communities in Arizona, Arkansas, Georgia, Maryland, Massachusetts, Minnesota, Nebraska, Tennessee, Vermont, Washington and West Virginia. Research methods included interviews with regional experts (including policymakers, arts leaders and community development leaders), analysis of data from the *Creative Vitality™ Suite* (a quantitative data set that indexes creative industries, creative occupations, and nonprofit arts and cultural activities), and reviews of secondary sources (including 100+ economic development plans, journal articles, newspaper articles and government agency reports). Case study communities were selected for their demographic and geographic diversity, including rural, urban and exurban regions. Each case presents hard data that points to growing creative industries and job markets, and high
concentrations of creative activity in states and regions that are not always identified as creative centers.

Key Findings

The case studies reveal how the creative economies of many regions achieved growth in the aftermath of an economic collapse. Each community profiled is unique in its character, cultural context and approach to economic recovery. But despite many differences, the case studies also revealed recurring themes:

- **Creative economy development strengthens overall economic development.** A focus on the creative economy has a place within comprehensive regional economic development strategies, both as an industry sector in its own right and as a catalyst influencing other sectors.

- **Many regional creative economies have been resilient in the face of past economic turbulence.** This suggests that communities that make the arts and culture part of their economic fundamentals may be better equipped to survive current and future economic crises.

- **Those who work in arts and cultural spaces deeply understand economic and community development imperatives and the potential of their work to grow their communities.** The case studies show arts leaders as active co-architects of destination tourism, community revitalization, talent attraction, economic diversification, livability and regional economic development strategy broadly.

- **Rural and heartland communities thrive through the arts and culture.** Metropolitan and coastal areas are not the only reservoirs of creative talent. Communities of any size have homegrown cultural assets that can be mobilized for economic good.

- **Each community has a creative ecosystem that offers unique economic opportunities.** These case studies show that beneficial economic activity comes from arts subsectors as varied as film, music, the visual arts, artisan manufacturing and more. Strategies that center on the distinctive history, people and cultures of local communities yield civic benefits as well as economic advantages.

- **Success often comes through a combination of public and private efforts.** The communities profiled through this research are realizing positive economic outcomes through a varied mixture of public policies and government programs—often originating from state arts agencies—combined with
leadership from businesses, philanthropists, individual artists and nonprofit cultural organizations. Public and private partnership endeavors can yield transformative results.

**Creative Economies and Economic Recovery: Case Studies of Arts-Led Recovery and Resilience** shows how creativity contributes to the success of rural regions, metropolitan centers and communities with histories of persistent economic disenfranchisement and distress. The case studies demonstrate how **communities are harnessing the creative industries to diversify their economies, rebound from past economic adversity and fortify their communities against future crises**. They offer valuable lessons for communities across the United States seeking to strengthen their economies and build economic resilience in 2021 and beyond.

**Learn More**

**Creative Economies and Economic Recovery: Case Studies of Arts-Led Recovery and Resilience** This report contains the full details of case studies conducted for communities in Arizona, Arkansas, Georgia, Maryland, Massachusetts, Minnesota, Nebraska, Tennessee, Vermont, Washington and West Virginia, revealing how the arts are a springboard for local economic growth.

**The Arts and Culture Sector’s Contributions to Economic Recovery and Resiliency in the United States: Key Findings** This brief summary offers highlights from an empirical study conducted by Douglas S. Noonan, professor at Indiana University-Purdue University Indianapolis. It shows how the arts economy fares through economic downturns and the influence of the creative industries on the larger economy.

**The Arts and Culture Sector’s Contributions to Economic Recovery and Resiliency in the United States: Technical Report** This paper describes the statistical methods Professor Noonan used to conduct his analysis and shows the relationships observed between the arts, gross state products, employment and compensation trends.

**Creative Economy Resources** Drill into state level economic data, grab fast facts and explore more creative economic development strategies in this curated collection of research and policy resources.